2010 PART 2 ASSESSMENT REPORT ON MAGNETOMETER SURVEY AND DIAMOND DRILLING ON THE CHU CHUA SHENUL (CCS) PROPERTY, KAMLOOPS MINING DIVISION, B.C.

CLAIMS

ORIGINAL CLAIMS: 529302, 528569, 517072, 523837, 523839, 52341, 523843, 523836, 517010, 528700, 508580, 508581, 508582, 508583, 508584, 508586, 508587, 508589, 508590, 530073, 530075, 530076, 530077, 533944, 528570, 526296, 526297, 523838, 523844, 523835, 529890, 530072

ADENDUM CLAIMS: 795103,795042, 795142, 795162,795182,824362, 825062, 825082, 825162, 825222, 825262, 604243,604247,604248, 604258,553915, 825122, 825182, 825242

LOCATIONS

NTS MAP SHEETS: 92P & 82M
120° 03' 42"W longitude and 56° 22' 51"N latitude (704480E and 5696320N Nad 83, Zone 10)

0WNERS

OWNER 3s: 115892 & 107608

KEN ELLERBECK & GEROLD LOCKE
KAMLOOPS, B.C.

OPERATOR

SHENUL CAPITAL INC.
3707 WEST 34TH AVENUE
VANCOUVER, B.C. V6N2K9

MINE MANAGER & REPORT PREPARATION

PETER A. CHRISTOPHER Phd., P.Eng.
PAC GEOLOGICAL CONSULTING INC.
3707 WEST 34TH AVENUE
VANCOUVER, B.C. V6N2K9

DECEMBER 14, 2010

TABLE OF CONTENTS

1.0 SUMMARY 3
1.1 Conclusions and Recommendations 4
2.0 INTRODUCTION 5
3.0 LOCATION, ACCESS, PHYSIOGRAPHY AND CLIMATE 5
Figure 3.1. Location Map for Chu Chua Shenul ("CCS") Property (from Raffle and Dufresne, 2010) 6
Figure 3.2. Claim map for CCS Property from Government website. 7
Table 3.1a Pertinent claim data CCS Property. 8
Table 3.1b Addendum Claims Added to CCS on September 15, 2010. 9
4.0 HISTORY 10
4.1 Part 1 2010 Assessment Program 11
Figure 4.1 EM1 Geophysical Anomaly (From Raffle and Dufresne, 2010) 12
5.0 GEOLOGICAL SETTING (Figure 5.1) 13
5.1 Grid Geology 13
6.0 MINERALIZATION 14
Figure 5.1 Geology of the CCS (from Raffle and Dufresne, 2010). 15
7.0 2010 SURFACE EXPLORATION (Figure 7.1) 16
7.1 Diamond Drilling 17
Table 7.1 Pertinent Diamond Drill Hole Data. 17
Figure 7.1 CCS EM1 Grid Location and Magnetometer Survey Lines. 18
8.0 GEOPHYSICAL PROGRAM (Figures 8.1) 19
8.1 Interpretation and Conclusions 19
Figure 8.1 Contoured Magnetic Survey Readings for EM1 Grid Area. 20
9.0 GEOCHEMICAL PROGRAM 21
9.1 Analytical Methods and QA/QC 21
9.2 Interpretation and Conclusions 21
Figure 9.1 Soil Geochemical Results for EM2 Baseline (see location Fig 7.1). 22
10.0 INTERPRETATION AND CONCLUSIONS 23
11.0 RECOMMENDATIONS 23
12.0 PERSONNEL AND CONTRACTORS 24
Table 12.1 List of Contractors. 24
13.0 STATEMENT OF COSTS 24
Table 10.1 Statement of Costs for 2010 Part 2 Chu Chua Program Expenditures 24
14.0 References 25
15.0 Certificate ..... Error! Bookmark not defined.
APPENDIX A: ACME CERTIFICATES OF ANALYSIS AND QA/QC 27
APPENDIX B ACME Quality Assurance & Certification 43
APPENDIX C DIAMOND DRILL HOLE LOGS 45
APPENDIX D ASSESSMENT REPORT TITLE PAGE & SUMMARY 60

1.0 SUMMARY

The original Chu Chua Shenul (CCS) property consisted of 32 contiguous mineral claims with a total area of 7,810 ha (19,300 acres), in the Kamloops Mining Division and centered approximately 24km northeast of Barriere, British Columbia. The CCS property was acquired by Shenul Capital Inc. ("Shenul") from the owners Ken Ellerbeck and Gerald Locke by agreement dated March 10, 2010. The agreement gives Shenul the option to earn 100% interest in the CCS property subject to payments, expenditure requirements and a 2% NSR. The CCS project was acquired by Shenul to test two coincident Aero TEM III airborne magnetic and electromagnetic anomalies with an anomaly selected for grid geochemical and VLF-EM surveying entirely within claim 508587 and the other anomaly extending southerly off claim 508589 onto third party holdings. Through an addendum dated September 15, 2010, the CCS property was expanded southerly by adding 19 claims covering about 4529ha. The CCS property is presently a contiguous claim block consisting of 51 claims covering 12339ha.

The CCS property is underlain by rocks of the Mississippian to Permian Fennelll Formation (Schiarizza and Preto, 1987). The Fennell Formation consists of a lower division consisting of complex interbedded and thrust imbricated massive basalt and clastic sedimentary rocks and the upper division, underlying most of the CCS property, consisting of pillow to massive basalt, diabase sills, argillite and chert. The Fennell Fm is intruded and locally contact metamorphosed by the Baldy Batholith. Regionally the Fennell Fm has been metamorphosed to lower greenschist facies but textures and bedding are preserved in volcanic and sedimentary units.

The claim area is believed to have potential for Cyprus type volcanic massive sulphide (VMS) like the Chu Chua deposit, Kuroko or Noranda type VMS associated with acidic volcanic layers and epithermal quartz veins hosting base and/or precious metals with a number of epithermal vein occurrence known in areas surrounding the CCS property (Raffle and Dufresne, 2010).

Shenul retained PAC Geological Consulting Inc. to conduct the Phase 1 exploration program recommended by Raffle and Dufresne (2010). Dr. Peter A. Christopher P. Eng. ("Christopher" or "PAC") field supervised and worked on the grid construction, VLF-EM survey and geochemical sampling. Geological observations were made during prospecting, geochemical and VLF-EM traverses (Christopher, 2010) but a detailed magnetic survey and geological mapping was planned to coincide with Phase 1 drilling (2010 Part 2 exploration). Christopher is president and exploration manager of Shenul and field supervised 2010 Part 1 (Christopher, 2010) and Part 2 exploration and logged and sampled the 3 diamond drill holes.

The Part 1 ground survey work was conducted between June 8 and June 12, 2010 when a number of attempts to access the grid area failed because of late snow melt. Survey work was conducted between July 19 and July 28, 2010 and August 18 and August 25, 2010. A UTM N-S 1.4km baseline was constructed and surveyed with VLF-EM and cross-line run at 100m interval along

the length of the baseline to investigate a coincident airborne magnetic and VLF-EM anomaly. The baseline was marked with tagged cedar pickets at 25m intervals and soil lines were marked at 25m or 50m intervals with tagged cedar pickets and all lines and 25m stations flagged with grid locations marked on flags.

The Part 1 geochemical sampling program consisted of 5 rock, 5 silt and 216 soil samples with all samples located using a UTM grid and UTM coordinates established with Garmin GPS instruments generally with 5m accuracy. The geochemical samples were analyzed by certified laboratory Acme Analytical Laboratories Ltd. (Acme) in Vancouver, B.C. Quality control and quality assurance procedures are conducted by Acme to insure accurate analytical results but standard, blanks and re-runs were not conducted by the writer because of the prospecting nature of the samples which were collected in an area of no known showings.

A total of about ~18 line kilometers was surveyed with VLF-EM using two stations, generally Annapolis and Seattle and a total of 5.4 line kilometers were soil sampled. The geochemical and VLF-EM data was drafted by Chong Drafting in Vancouver, B.C. with VLF-EM conductors selected using methods suggested by Geonics.

The recommended Phase 1 exploration was divided with the Part 2 exploration consisting of about ~18 line kilometers of ground magnetics and three BQTK drill holes totaling 521.5m used to further evaluate the EM1 grid area with the Part 2 program starting on September 15, 2010 and finishing on October 19, 2010 with delivery of core an surface rock samples to Acme Laboratory in Vancouver for ICP MS analysis. A total of 27 mainly 3m (~10feet) samples were selected from split core to evaluate altered, faulted and sulphide (mainly pyrite) bearing sections. The magnetic results and the drill hole locations were drafted by Chong Drafting in Vancouver, B.C. The diurnal variation in magnetic reading was monitored by looping to base stations established along the baseline or main access road but diurnal variation were minor and instrument reading were accepted without adjustment for diurnal variation. A 550m baseline line was started over the EM2 anomaly and 21 soil samples collected but cross lines were not attempted because early snowfalls made traverses hazardous. The soil samples gave no anomalous results for copper or gold but were collected sub-parallel to the stratigraphic trend.

1.1 Conclusions and Recommendations

The Part 1 soil sampling produced some moderately anomalous copper values (150-270ppm range) in a trend with similar historic results but the anomalous soil results are mainly outside the airborne magnetic and EM anomaly. The Part 1 VLF-EM survey suggested a number of weak to moderate strength conductive zones within the airborne geophysical target. The Part 2 magnetic survey resulted in a strong N-S magnetic trend that extends from line 56896+00N to off the northern end of the EM1 grid, a distance of over 1km. The

strong magnetic anomaly was outside the existing road access and was not tested by soil sampling or diamond drilling. The writer recommends soil sampling before considering road access construction or diamond drilling of the magnetic anomaly. Three diamond dill holes were drill from the existing roads to test the VLF-EM conductors within the airborne anomaly. The 27 core samples submitted for analysis contained no anomalous results and EM conductors were attributed to pyritic and graphitic shear zones and/or wet, N-S trending straticraphic contacts.

Further soil sampling is recommended for the strong EM1 grid magnetic anomaly and for the EM2 grid area. Ground EM and magnetics is recommended for the EM2 grid. Recommendation for additional drilling is contingent on the success of further ground surveying in producing coincident geophysical and geochemical anomalies.

2.0 INTRODUCTION

Shenul acquired an option to obtain 100% interest in the CCS from Ken Ellerbeck and Gerald Locke of Kamloops, B.C. through an agreement dated March 10, 2010. Shenul engaged Apex Geoscience Ltd. (APEX) to prepare a geological compilation leading to a NI 43-101 compliand technical report on the potential of the CCS (Raffle and Dufresne, 2010). The compilation report is available in a company profile of Shenul at www.sedar.com. This report described work completed by Shenul on one of the coincident airborne magnetic and electromagnetic anomalies selected by Apex for further ground surveys need to position drill holes to test the anomaly. The work described in this report was completed in September and October of 2010. The part 1 work completed in June, July and August of 2010 provided the basis for selection of drill sites. On September 15, 2010, the vendors and Shenul agreed to expand the CCS property southerly, covering anomaly extensions, by adding 19 addendum claims to the agreement (Table 3.1b).

3.0 LOCATION, ACCESS, PHYSIOGRAPHY AND CLIMATE

The CCS (Figures 3.1 & 3.2) is located 18 kilometers (km) northeast of Barriere, B.C. and centered on the Chu Chua deposit at 120° 03’ 42”W longitude and 56° 22’ 51”N latitude (704480E and 5696320N Nad 83, Zone 10) . From Barriere, the nearest center with supplies and services, access is along the paved Barriere Lakes Road to the North Barriere Lake and Birk Creek forest service road (BCFSR). The BCFSR heads westerly at KM 8 from the North Barriere Lake road and at ~KM 17.5, the Newhykulston Creek FSR (NCFSR) which is sign posted FSR RD 3300 (KM 10.5) provides access to the EM1 grid area. The EM1 exploration grid uses UTM coordinates with the baseline extending south from 707000E-5690000N to 707000E-5688600N (1.4Km). An EM2 exploration grid was started with the N-S baseline extending along UTM line 708000E from 5688000N to 5677450N but no cross-lines constructed because early snow made traverses difficult. Pertinent claim data is presented in Table

3.1a and 3.1b with the CCS location shown on Figures 3.1 and 3.2. Access to the claims added to the southern part of the property is best off the Leone Lake FSR and should improve once planned logging is completed.

Figure 3.1. Location Map for Chu Chua Shenul ("CCS") Property (from Raffle and Dufresne, 2010).

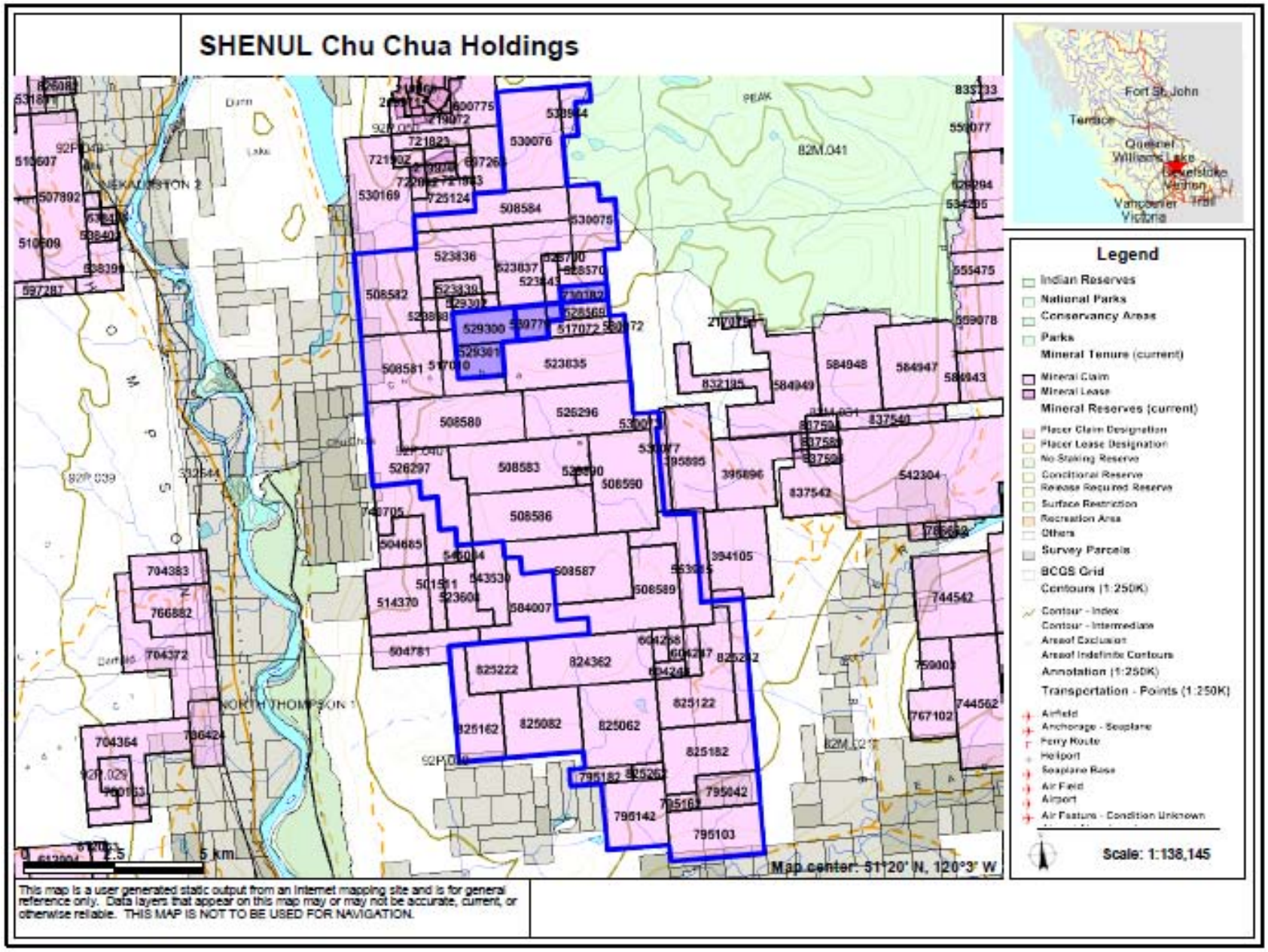


Figure 3.2. Claim map for CCS Property from Government website.

Table 3.1a Pertinent claim data CCS Property.

Claim	#	Owner[1]	#	%	Acres	Hectares	Expiry[2]
G & G	529302	GTL	115892	100	99.71	40.35	30-Sep-11
GERRY AND GERRY	528569	GTL/KCE	115892/107608	100	149.57	60.53	30-Sep-10
INMETEAST	517072	GTL/KCE	115892/107608	100	199.44	80.71	30-Sep-10
KC GL1	523837	GTL/KCE	115892/107608	100	946.96	383.22	30-Sep-11
KEGL4	523839	GTL/KCE	115892/107608	100	149.55	60.52	30-Sep-11
KC GL5	523841	GTL/KCE	115892/107608	100	49.84	20.17	30-Sep-11
KC GK7	523843	GTL/KCE	115892/107608	100	149.55	60.52	30-Sep-10
KC GL2	523836	GTL/KCE	115892/107608	100	847.25	342.87	30-Sep-10
INMETINFILL	517010	GTL/KCE	115892/107608	100	349.09	141.27	30-Sep-11
CC FRACTION	528700	GTL/KCE	115892/107608	100	49.84	20.17	30-Sep-10
	508580	GTL/KCE	115892/107608	100	1197.15	484.47	30-Sep-11
Deposit1	508581	GTL/KCE	115892/107608	100	997.32	403.60	30-Sep-10
Deposit2	508582	GTL/KCE	115892/107608	100	996.90	403.43	30-Sep-10
South1	508583	GTL/KCE	115892/107608	100	1247.34	504.78	30-Sep-11
North1	508584	GTL/KCE	115892/107608	100	797.21	322.62	30-Sep-10
	508586	GTL/KCE	115892/107608	100	1197.74	484.71	30-Sep-11
Southpark	508587	GTL/KCE	115892/107608	100	1248.00	505.05	30-Sep-11
Insure	508589	GTL/KCE	115892/107608	100	1148.40	464.74	30-Sep-11
Ants	508590	GTL/KCE	115892/107608	100	1197.59	484.65	30-Sep-11
YES	530073	GTL	115892	100	49.89	20.19	30-Sep-10
MORE TO GO	530075	GTL	115892	100	548.13	221.82	30-Sep-10
AND MORE	530076	GTL	115892	100	1195.32	483.73	30-Sep-10
AND MORE	530077	GTL	115892	100	299.37	121.15	30-Sep-10
DIXIE 4	533944	GTL	115892	100	199.19	80.61	30-Sep-10
ROCKNORTH	528570	GTL/KCE	115892/107608	100	249.23	100.86	30-Sep-10
CHUCHUAEAST	526296	KCE	107608	100	1047.50	423.91	30-Sep-11
CHUSOUTHWEST	526297	KCE	107608	100	1197.42	484.58	30-Sep-10
CHU CHUA 7777	523838	GTL/KCE	115892/107608	100	99.71	40.35	30-Sep-10
CHU CHUA 888	523844	GTL/KCE	115892/107608	100	99.71	40.35	30-Sep-10
CHU CHUA 777	523835	GTL/KCE	115892/107608	100	1196.83	484.34	30-Sep-11
CAVEATEMPTOR	529890	KCE	107608	100	49.89	20.19	30-Sep-11
CARPEDIEM	530072	KCE	107608	100	49.87	20.18	30-Sep-10
TOTAL	32 claims				19,300.48 acres	7,810.64 ha	

1. **GLT= Gerald T. Locke; KCE=Kenneth C. Ellerbeck.**
2. **Expiry Date Before Recording 2010 Work.**

Table 3.1b Addendum Claims Added to CCS on September 15, 2010.

Tenure No.	Claim Name	Owner	Type	Sub Type	Map No.	Issue Date	Good To Date	Status	Area (ha)
795042	GOLD ONE	115892 (100%)	Mineral	Claim	082M	2010/jun/19	2011/jun/19	GOOD	161.8234
795103		115892 (100%)	Mineral	Claim	082M	2010/jun/19	2011/jun/19	GOOD	364.1804
795142		115892 (100%)	Mineral	Claim	092P	2010/jun/19	2011/jun/19	GOOD	323.6744
795162		115892 (100%)	Mineral	Claim	092P	2010/jun/19	2011/jun/19	GOOD	40.4576
795182		115892 (100%)	Mineral	Claim	092P	2010/jun/19	2011/jun/19	GOOD	80.9007
824362	BAR WEST	115892 (50%)	Mineral	Claim	092P	2010/jul/22	2011/jul/22	GOOD	485.0999
825062		115892 (100%)	Mineral	Claim	092P	2010/jul/23	2011/jul/23	GOOD	505.494
825082		115892 (100%)	Mineral	Claim	092P	2010/jul/23	2011/jul/23	GOOD	404.3775
825162		115892 (100%)	Mineral	Claim	092P	2010/jul/23	2011/jul/23	GOOD	303.2648
825222		115892 (100%)	Mineral	Claim	092P	2010/jul/23	2011/jul/23	GOOD	242.5505
825262		115892 (100%)	Mineral	Claim	092P	2010/jul/23	2011/jul/23	GOOD	40.4504
604243	SC	107608 (50%)	Mineral	Claim	092P	2009/may/10	2010/dec/15	GOOD	40.4231
604247		107608 (50%)	Mineral	Claim	082M	2009/may/10	2010/dec/15	GOOD	60.6378
604248		107608 (50%)	Mineral	Claim	092P	2009/may/10	2010/dec/15	GOOD	40.4286
604258		107608 (50%)	Mineral	Claim	092P	2009/may/10	2010/dec/15	GOOD	40.4232
553915	FORGOT	107608 (50%)	Mineral	Claim	082M	2007/mar/08	2010/dec/15	GOOD	363.6468
825122	BAR EAST	107608 (100%)	Mineral	Claim	082M	2010/jul/23	2011/jul/23	GOOD	444.7539
825182	BAR SOUTH	107608 (100%)	Mineral	Claim	082M	2010/jul/23	2011/jul/23	GOOD	404.4752
825242	BAR TRIM	107608 (100%)	Mineral	Claim	082M	2010/jul/23	2011/jul/23	GOOD	181.9153

The original Chu Chua Shenul (CCS) property consisted of 32 contiguous mineral claims (Table 3.1a) with a total area of 7,810 ha (19,300 acres), in the Kamloops Mining Division and centered approximately 24km northeast of Barriere, British Columbia. The CCS property was acquired by Shenul Capital Inc. (“Shenul”) from the owners Ken Ellerbeck and Gerald Locke by agreement dated March 10, 2010. The agreement gives Shenul the option to earn 100% interest in the CCS property subject to payments, expenditure requirements and a 2% NSR. The CCS project was acquired by Shenul to test two coincident Aero TEM III airborne magnetic and electromagnetic anomalies with an anomaly selected for grid geochemical and VLF-EM surveying entirely within claim 508587 and the other anomaly extending southerly off claim 508589 onto third party holdings. Through an addendum with Ellerbeck and Locke dated September 15, 2010, the CCS property was expanded southerly by adding 19 claims (Table 3.1b) covering about 4529ha. The CCS property is presently a contiguous claim block consisting of 51 claims covering 12339ha.

Elevations on the CCS vary from 900 to over 2200 meters with snow remaining at higher elevation and northern slopes in July. The climate varies from -30°C in winter to +30°C in summers. The area experiences heavy winter snowfalls and trails are used for winter sports. The work season generally extends from mid-June to mid October but in 2010 roads had snow till late June and the initial work attempt from June 8-12, 2010 failed for lack of road access to the proposed grid area.

Vegetation varies from clear cuts with thick second growth with dense spruce, pine and cedar stands at lower elevations and sub-alpine and alpine vegetation above 1800m. Logging operations are presently active along Birk, Leonie, Delta and Sprague creeks. Local ranches have summer grazing rights but the grid area was not actively grazed by cattle in 2010.

Barriere, inhabited by about 3,450 persons, is the closest town to the property with accommodations, RCMP and a health center. Kamloops, the nearest major center with drilling, mining and airport services, is located 64km south of Barriere along the Yellowhead Highway 5.

4.0 HISTORY

The CCS claims were acquired through online staking during 2005 and 2006 by Ken Ellerbeck and Gerald Locke of Kamloops, B.C. to cover possible extensions of the units hosting the Chu Chua deposit. The Chu Chua deposit, presently on ground held by Reva Resource Corp. (Reva), was defined by drilling programs conducted by Craigmont Mines Ltd. (1978-1982), Falconbridge Copper Corp. (Falconbridege (1985-1986) and Minova Inc. (1987-1991). A historic mineral inventory for the Chu Chua deposit was stated by Heberlein (1990) at 2.7 million tones grading 1.67%Cu, 0.31% Zn, 7.4g/t Ag and 0.31 g/t Au.

In 1995, Eighty Eight Resources conducted soil and rock geochemical sampling on the KB group of claims to the south of the Chu Chua deposit and found favourable geology and alteration (Belick, 1995). No follow-up work was reported.

Strongbow Exploration Inc. (Strongbow) acquired the claims overlying the Chu Chua deposit by online staking on March 2nd, 2006. Strongbow completed a soil sampling program of 302 samples with 264 of the samples collected from the CCS property area. The soil survey found multi-element geochem response with anomalous soils related to Em conductors (Gale, 2007). The 2008 field program for the Chu Chua property was conducted by APEX for Longview Capital Partners and consisted of a property examination by Mr. Kris Raffle and an Aeroquest Limited, 839.7 line km helicopter-borne Aero TEM III survey covering the CCS and surrounding area. A compilation of airborne geophysical anomalies and copper in soils provided by APEX (2010) is presented as Figure 4.1. After

acquisition of the CCS property form Ederrbeck and Locke on March 10, 2010, Shenul targeted anomaly EM1 for grid soil and VLF-EM follow-up. The CCS property was extended southerly to cover the extension of EM2 and other targets by agreement with Ellerbeck and Locke dated September 15, 2010.

4.1 Part 1 2010 Assessment Program

The field segment of the 2010 Part 1 assessment program was conducted by PAC Geological Consulting Inc. between June 8, 2010 and September under the field supervision of the writer (Christopher 2010). The Part 1 consisted of construction of the EM1 grid, ~18 line kilometers of VLF-EM and geochemical sampling consisting of 5 rock, 5 silt and 218 soil samples. The VLF-EM showed a number of weak to moderate strength VLF-EM anomalies and a few weakly anomalous copper and gold responses from soils. A scout diamond drilling program of 3-4 BQ diamond drill holes was recommended to explain the cause of the EM1 anomaly (Christopher 2010).

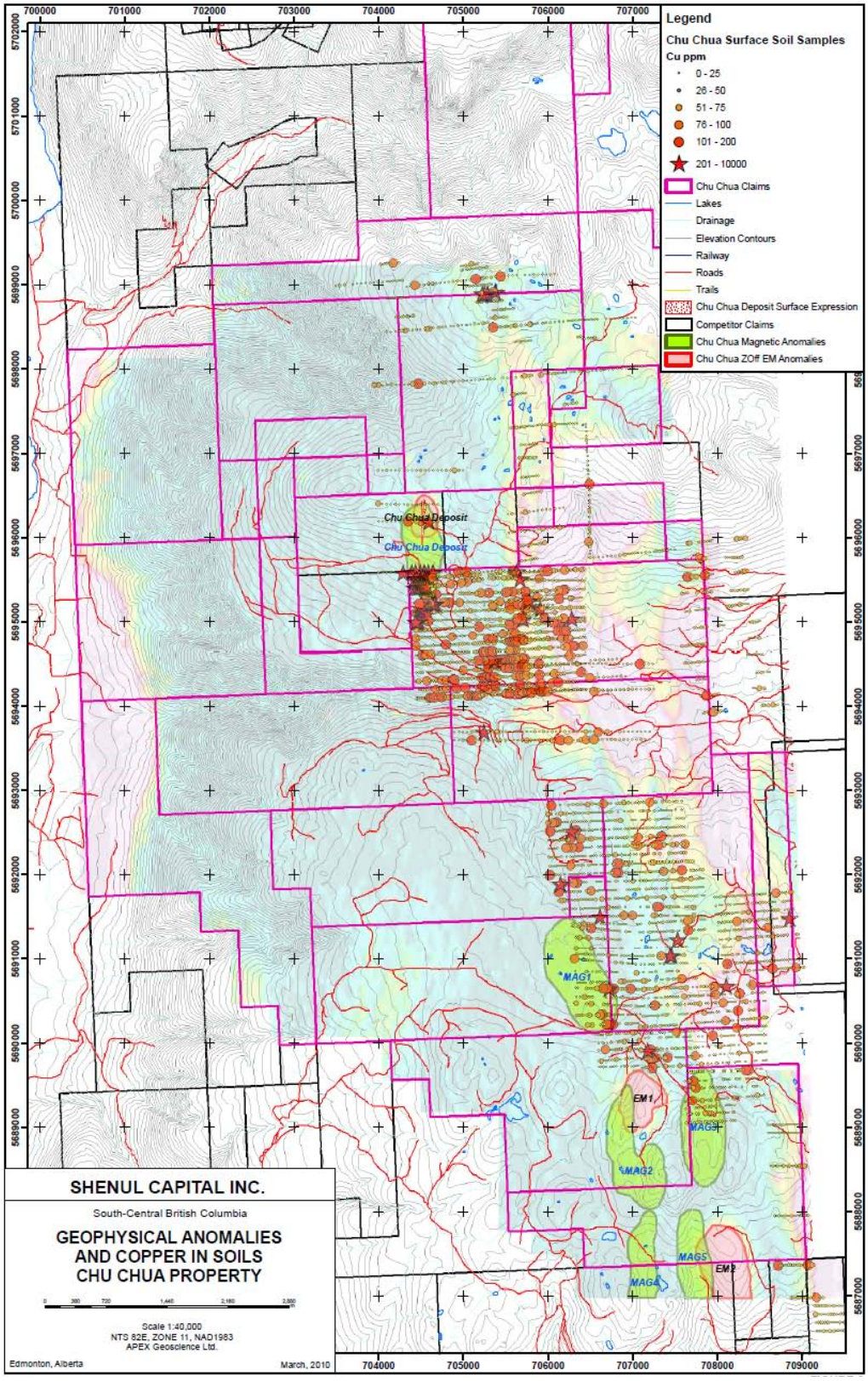


Figure 4.1 EM1 Geophysical Anomaly (From Raffle and Dufresne, 2010)

5.0 GEOLOGICAL SETTING (Figure 5.1)

The geology of the CCS property has been mapped at 1:100,000 scale by Schiarizza and Preto (1987) as part of the Adams Plateau Clearwater-Vaveby map area. The regional geological description is after Schiarizza and Preto (1987). The CCS, at the western edge of the Omineca Belt, is underlain by the Fennelll Formation of and the Slide Mountain Assemblage to the west and Eagle Bay Assemblage to the east (Figure 5.1). The Homestake and Rea VMS deposits occur in intermediate to felsic metavolcanic rocks of the Lower Devonian to Mississippian Eagle Bay Assemblage and the Chu Chua VMS depsit occurs in the Devonian to Middle Permian Fennelll Formation.

The Fennelll Formation is an oceanic sequence divided by Schiarizza and Preto (1987) into a structurally lower, easerly division consisting of bedded chert, gabbro, diabase, pillowed basalt, clastic metasediments, quartz-feldspar rhyolite porphyry and intraformational conglomerate. The upper, westerly division is host to the Chu Chua deposit and consists mainly of pillowed and massive tholeiitic basalt with gabbro, diabase sills and lessor bedded chert and argillite. The generally near vertically tilted sequence has tops consistently facing west.

Cretaceous granodiorite and quartz monzonite of the Raft and Baldy batholiths intrudes both the Fennelll Formation and the Eagle Bay Assemblage with intrusive rocks underlying the northeasterly part of the CCS. The package is locally overlain or in fault contact with Kamloops Group volcanic and sedimentary rocks and Miocene lavas. Deformation in the Fennelll is not intense but units have been rotated into a verticall dipping west facing position interpreted by Schiarizza and Preto (1987) to be the western limb of a thrust-dismemberede anticline. Late, north and east trending normal faults cause local offsets of the Upper Fennelll stratigraphy and truncation or offset of strong magnetic patterns. . A west dipping thrust zone is inferred to separate the upper and lower Fenell Fm and was based by Schiarizza and Preto (1987) on conodont ages from chert beds.

The upper and lower Fennell divisions are regionally metamorphosed to lower greenschist facies with overprint of contact metamorphism to hornblende hornfels grade near contact of the Baldy Batholith.

5.1 Grid Geology

The geology of the EM 1 grid area was observed by the writer during grid construction, soil sampling and VLF-EM surveying but has not been mapped in detail. The general N-S trending and steep dip to units was confirmed and favors testing of anomalies with low angle east or west directed drill holes. Pyritic cherty units are associated with some of the EM anomalous trends and should be considered when selecting the drill method.

Strong magnetite concentration occurs along a gabbroic ridge to the west of the EM 1 Grid Area. A less or non-magnetic diorite to gabbroic body occurs in the northeast sector of the grid to the east of a major thrust zone mapped across the property.

6.0 MINERALIZATION

Exploration on the CCS property is directed toward location of Chu Chua type mineralization that is found on the enclosed Chu Chua property of Reva and description of this mineralization is pertinent to exploration of the CCS property. The Chu Chua deposit mineralization consists of massive sulphides with pyrite composing 90% of the massive sulphide. The strike extent of the surface mineralization is approximately 300m with thickness ranging up to 80m. Chalcopyrite is the main ore mineral occurring as massive streaks up to 25cm thick, as small inclusions in pyrite and magnetite and as fracture fillings and interstices in coarse angular pyrite. Covellite, chalcocite, sphalerite (and possible trace galena) and magnetite are economic minerals identified in drillcore with cubanite and stannite present (Aggarwal, 1982). Magnetite content is reported to increase toward the footwall. The matrix or gangue is likely mainly quartz and barite. Other possible by-products include gold (< 1 g/t), silver (commonly 10-30 g/t), cobalt 300-475ppm) and trace amounts of tin (stannite), platinum and palladium (Aggarwal, 1982).

The CCS property is reported by Schiarizza and Preto (1987) to be west of the Enargite occurrence (82M-065 (at 1600m @ sw slope of upper Birk Creek)), a sulphide-bearing quartz vein which cuts sheared rocks along the Fennelll-Eagle Bay fault contact. The occurrence comprises a system of quartz veins and lenses with pods of course grained galena and pyrite with lesser sphalerite and chalcopyrite. A small high-grade shipment was reported to be made to Cominco Ltd. in 1972 (George Cross Newsletter, January 5, 1983).

Pyrite is present in nearly all rock types in the CCS prospect area and arsenopyrite and magnetite have been identified in chert and gabbro, respectively within the grid area but no copper mineralization has been identified.

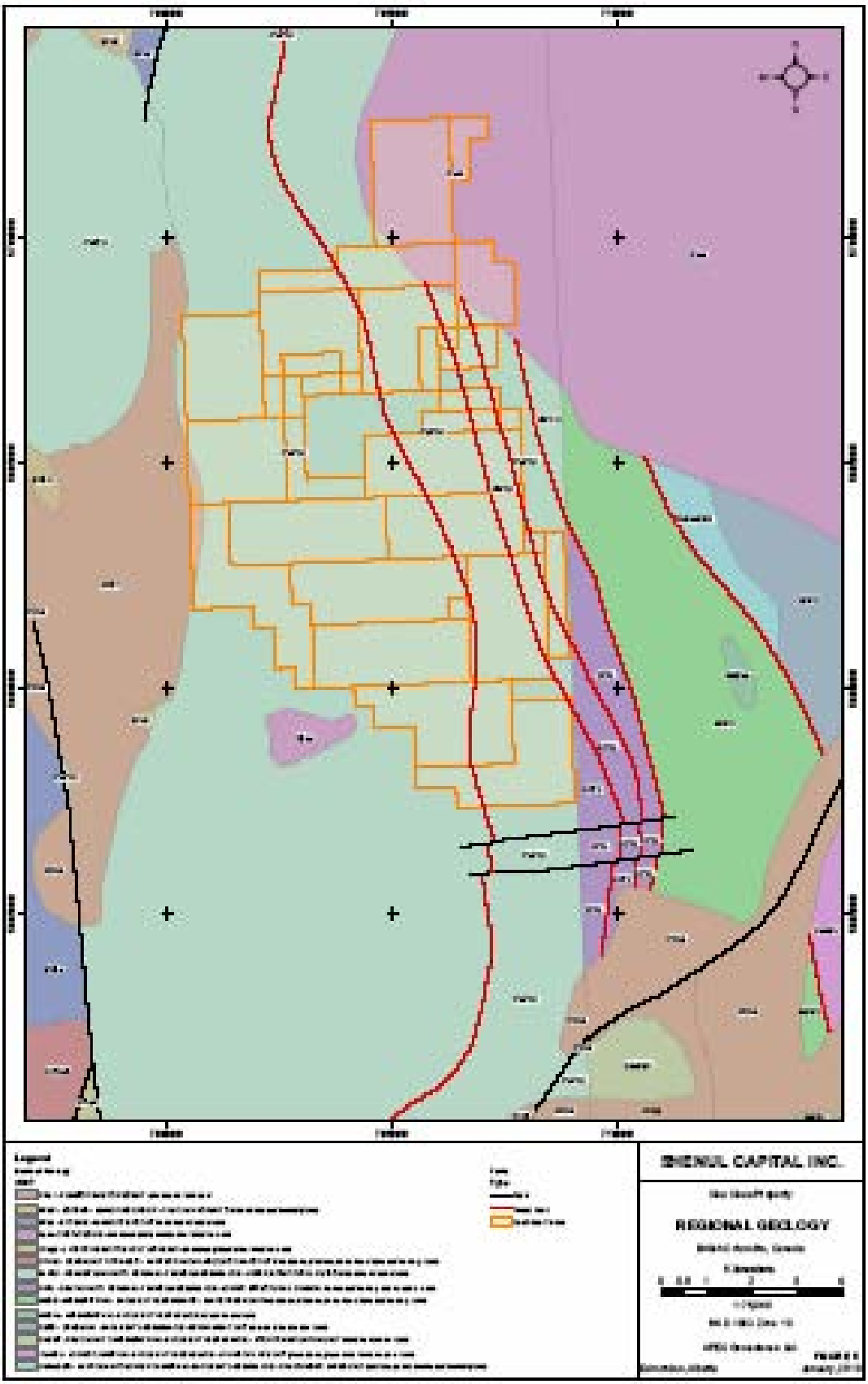


Figure 5.1 Geology of the CCS (from Raffle and Dufresne, 2010).

7.0 2010 SURFACE EXPLORATION (Figure 7.1)

Shenul retained Apex Geoscience Ltd. to review the Chu Cha property and prepare a NI43-101 compliant technical report with recommendations for Phase 1 and success contingent Phase 2 exploration to test the mineral potential of airborne magnetic and electromagnetic anomalies (Raffe and Dufrese, 2010; see Shenul in www.sedar.com). Shenul retained PAC Geological Consulting Inc. to conduct the Phase 1 exploration program recommended by Raffle and Dufresne (2010). Dr. Peter A. Christopher P. Eng. ("Christopher" or "PAC") field supervised and worked on the grid construction, VLF-EM survey and geochemical sampling. Geological observations were made during prospecting, geochemical and VLF-EM traverses (Christopher, 2010). Part 2 exploration consisting of a 18 line kilometer ground magnetometer survey over the EM1 grid, start of the EM2 grid baseline and soil geochemical program and 3 BQTK diamond drill holes totaling 521.5m to test the EM1 grid electromagnetic response was field supervised by Christopher, exploration manager and president of Shenul, between September 15, 2010 and October 19, 2010. Further geological mapping, geochemical sampling and ground EM and magnetics are planned for the EM2 airborne coincident electromagnetic and magnetic target.

The Phase 1, part 2 work was conducted between September 15, 2010 and October 19, 2010 when the EM1 grid was surveyed for ground magnetics and 3 BQTK diamond drill holes totaling 521.5m were drilled between September 20, 2010 and October 17, 2010 by Atlas Drilling Ltd. based in Kamloops, B.C. EM2 grid was started but work was discontinued because early snowfalls made steeper parts of the terrain hazardous. Work on the EM2 grid consisted of a 550m N-S baseline with soil samples collected at 25m intervals along the baseline (Figure 7.1). The baseline was marked with aluminum tagged cedar pickets at 25m intervals. No anomalous results were obtained from the soils and sample analytical results for gold copper, lead and zinc is plotted on Figure 9.1 and certificates of analysis presented in Appendix A.

Core was logged by the writer (Appendix C) with the core from holes CCS10-1 and CCS10-2 stored on a rack constructed about mid way between the two drill sites. The core from CCS10-3 was moved to a lower, warmer and a less exposed elevation along the main access road for logging and rack storage. The geochemical sampling program consisted of 4 rock, 21 soil samples and 27 selected samples of split core with all samples located using grid and UTM coordinates established with Garmin GPS instruments generally with 5m accuracy. The geochemical samples were submitted by Christopher on September 30, 2010 and October 19, 2010 to certified laboratory Acme Analytical Laboratories Ltd. (Acme) in Vancouver, B.C for analysis. A total of about 18 line kilometers was surveyed with a Geometrics staff mounted magnetic sensor and memory recording unit with reading stored in the magnetometer

recorder and also recorded by UTM location in a field book. The magnetometer data was drafted by Chong Drafting in Vancouver, B.C (Figure 8.1).

7.1 Diamond Drilling

The 2010 diamond drilling program was started by Atlas Drilling Ltd. of Kamloops, B.C. on September 20, 2010 and finished on October 17, 2010 with 3 holes totaling 521.5m drilled in the EM1 grid area to test the EM1 airbore electromagnetic anomaly that had been further defined by a ground VLF-EM survey (Christopher, 2010). The drill program represented the first field test of a revamped cat mounted drill and encountered several problems which delayed completion of the drilling program which was stopped because the drill and core logging areas were not prepared for winter condition and temperature below -10°C. The drill hole and core storage area locations are shown in Figures 7.1 and 8.1 and summarized in Table 7.1. Core logs prepared by the writer are presented as Appendix C with analyses of drill core by Acme Laboratory presented in Appendix A. No significant mineralized intercepts were obtained from the three drill holes and the EM anomalies were attributed to graphitic and pyritic shear zones and/or wet stratigraphic contacts.

Table 7.1 Pertinent Diamond Drill Hole Data.

Hole #*	UTM E/N	Lat./Long.	El.	Azimuth	Dip	Total Depth	Comments
CCS-10-1	0707377/ 5689213	51°18.979”/ 120°01.446”	1831m	270°	58°	377’(114.9m)	
CCS-10-2	0707228/ 5688977	51°18.355”/ 120°01.58”	1848m	270°	58°	657’(200.3m)	
CCS-10-3	0706755/ 5689854	51°19.341”/ 120°01.957”	1739m	90°	55°	677’(206.3m)	
						1711’/521.5m	

* Core from CCS-10-1 and CCS-10-2 stored at El. 1830m UTM 0707373E; 5689100N and Lat. 51°18.938'N; Long. 120°01.450’ and from CCS-10-3 stored at UTM 0707912E; 5690821N; El. 1880m.

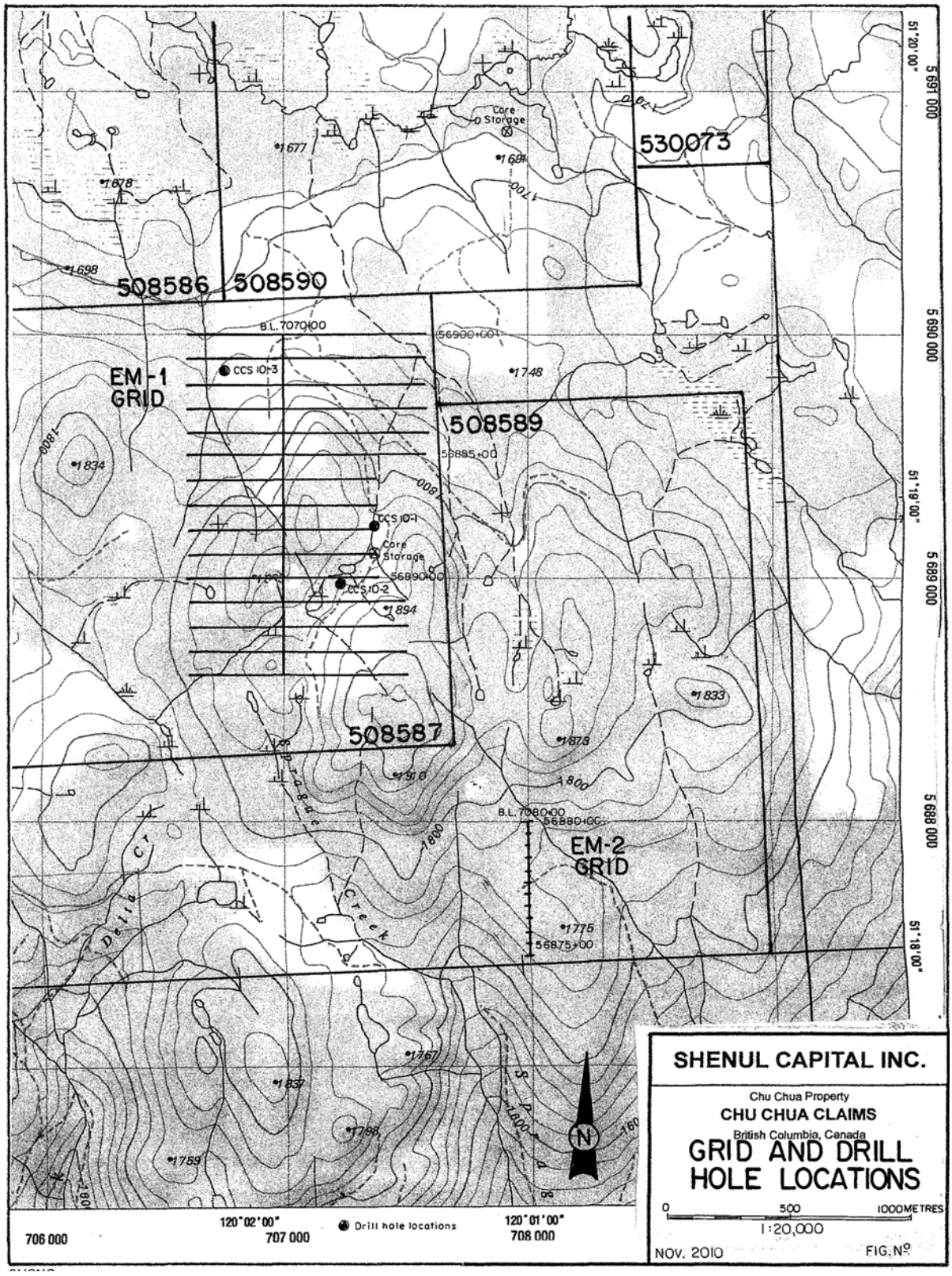


Figure 7.1 CCS EM1 Grid Location and Magnetometer Survey Lines.

8.0 GEOPHYSICAL PROGRAM (Figures 8.1)

The magnetometer survey used a Geometrics Portable Proton Magnetometer Model G-856 with reading taken using staff mounted sensor connected to a digital readout memory recorder mounted at chest level. Readings were collected 25m stations along picketed cross lines used for previous VLF-EM and soil sampling and at flagged stations when lines were not soil sampled. A total of about 18 line-kilometers were surveyed and results plotted and contoured by Chong Drafting (Figure 8.1). The instrument readings were accept since diurnal variations determined by looping to base stations were generally less than 10 gammas which is small compared to >2900 gamma variation within the survey area.

8.1 Interpretation and Conclusions

The magnetometer survey produced a long N-S trending anomaly from 50 to 150m wide that was sharply terminated to the north between line 56896+00N and 56897+00N but open at the southerly grid boundary. Magnetic values varied from a low of 55,266 gammas at 7068+00E L56893+00N to 58194 gammas for a magnetic relief of 2928 gammas with nearly all values above 56,000 gammas in the strong N-S tending anomaly sub-parallel and west of the baseline (Figure 8.1). The writer collected two rock samples of gabbro from the strongest part of the magnetic anomaly which showed no anomalous metal content (Appendix A). The strong magnetic anomaly is outside present road access and E-W soil geochemical lines are require to assess the zone and determine if road access and drilling are warranted.

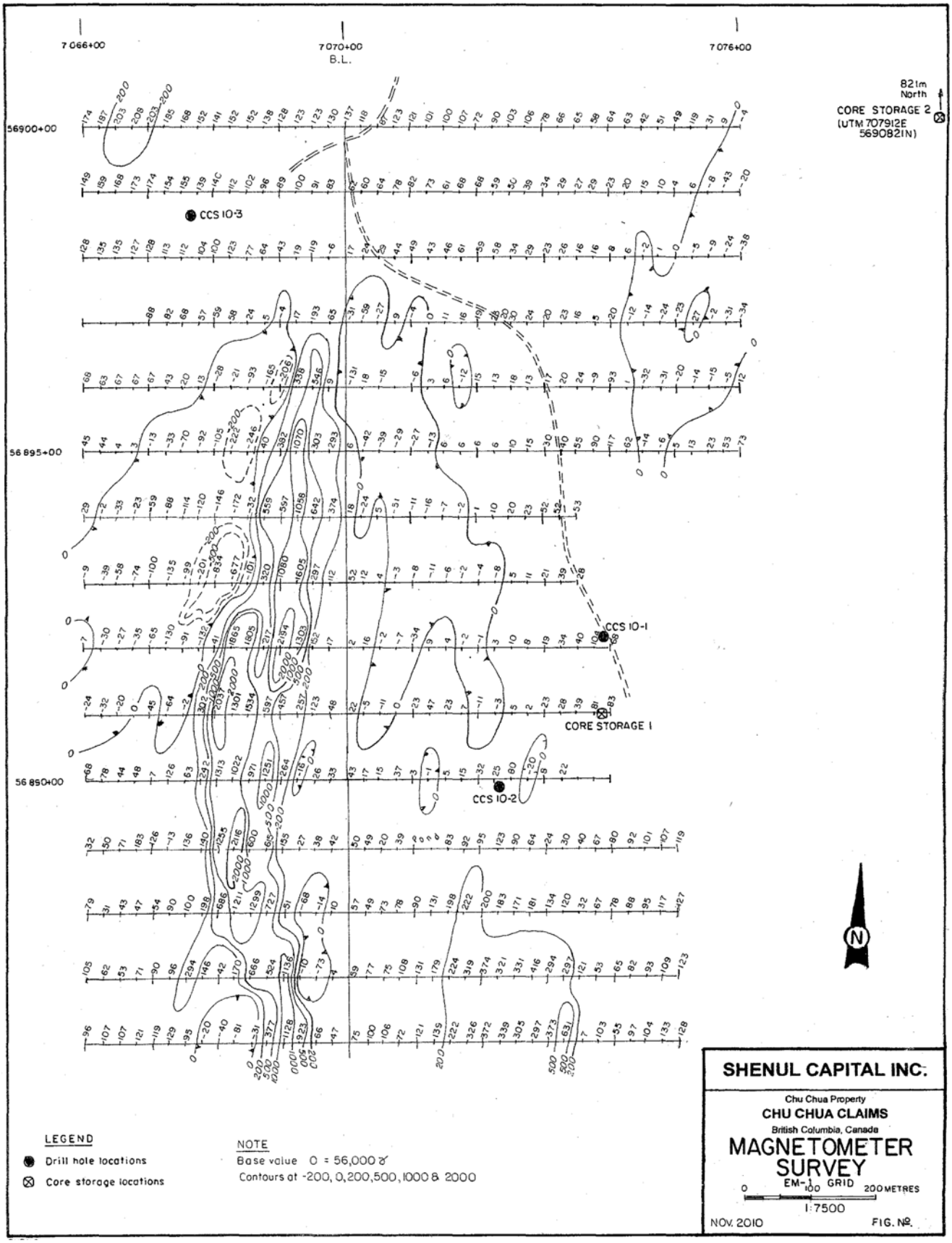


Figure 8.1 Contoured Magnetic Survey Readings for EM1 Grid Area.

9.0 GEOCHEMICAL PROGRAM

The geochemical program consisted of 27 split core samples, 4 rock samples and 21 soil samples (20 analyzed) with soils collected at 25 meter intervals along the EM2 baseline. The four rock samples were collected to test the magnetic anomaly zone and trenched pyritic zone east of the EM1 grid. Soil samples were collected from the B-soil horizon generally at 15-20cm below the surface. A mattock was used for sampling. Samples were placed in a kraft soil bag which was marked with the grid station. Samples were dried before delivery to Acme Laboratory in Vancouver. No significant or anomalous values were obtained values were obtained and results with UTM location are presented in Appendix A. Rock sample locations are shown in Figure 9.1 but no significant rock values were obtained.

9.1 Analytical Methods and QA/QC

Acme analytical results are presented in Appendix A (VAN10005598 & 10005137-rock and core; and VAN10005136-soil) with QA/QC procedures used by Acme summarized in Appendix B. Soil, core and rock samples were prepared by ACME using standard crushing and sieving procedures as required. The 1DX2, ICP-MS method, was used for to analyze 15g of prepared sample that are leached in hot (95°) aqua regia. Detection limits for Copper of 0.1ppm to 10,000ppm and gold of 0.5ppb to 100ppm are obtained using the 1DX2 method. No samples requiring over limit analysis were obtained. The sample rejects and pulps were not stored for further use because sample results were not anomalous.

9.2 Interpretation and Conclusions

The maximum copper in soils value of 55.9ppm was obtained from the EM2 grid baseline at station 56877+75N and the maximum gold in soils value of 34.7ppb was obtained at station BL7080+00E on line 56877+75N. A total of 3 copper values $\geq$ 30ppm were considered very weakly anomalous. Gold varied from less than the 0.5ppb detection limit to 4.8ppb with no anomalous values above 5ppb. Lead values between 6.5ppm and 19.1 ppm were not considered anomalous and zinc values between 20 and 54ppm were not considered anomalous. The N-S baseline direction was selected to sub-parallel stratigraphy and the soil results tested only a narrow stratigraphic interval. E-W cross-lines are planned to provide coverage over a variety of rock types. Soil results for gold, copper, lead and zinc are plotted on Figure 9.1.

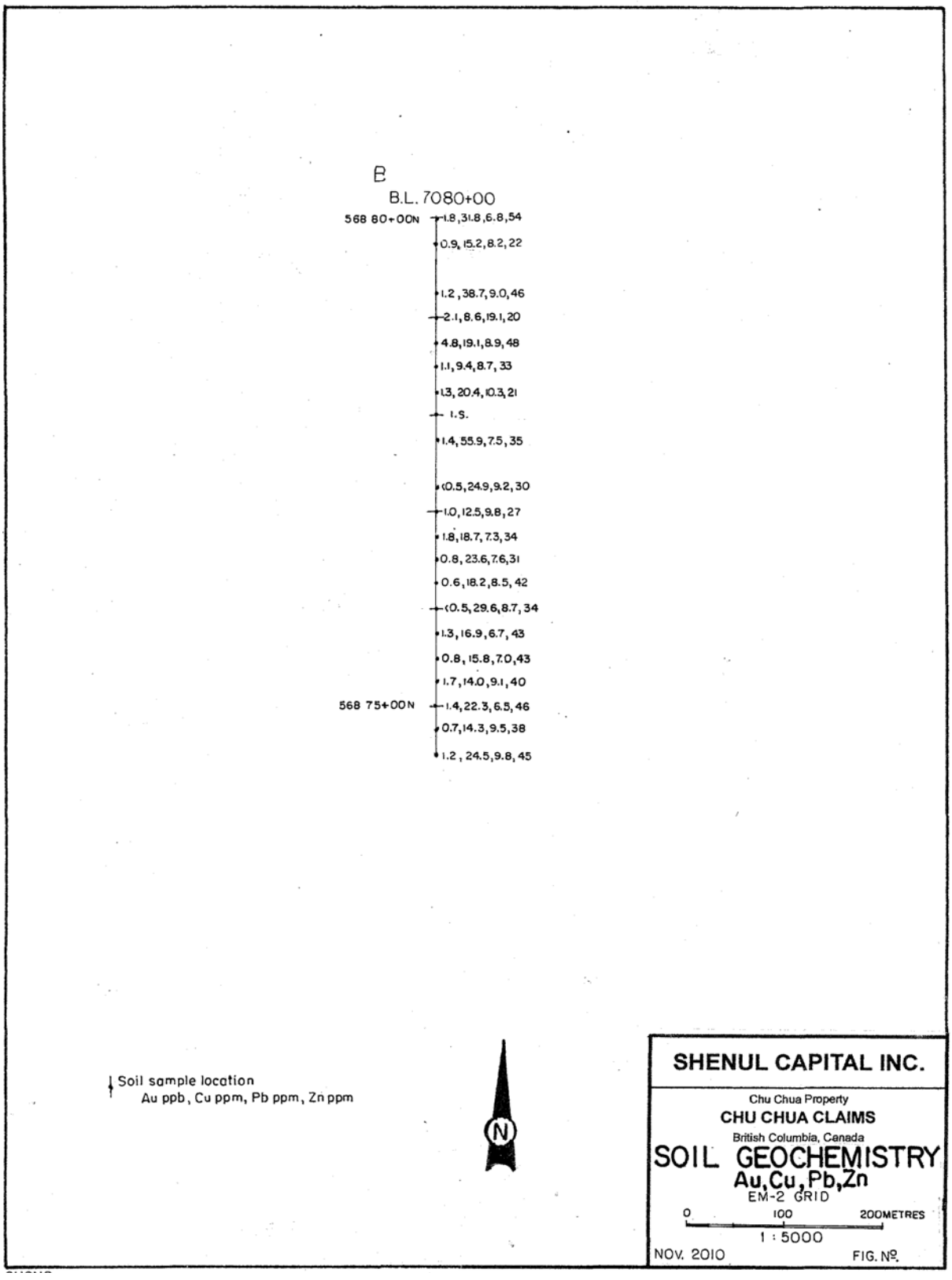


Figure 9.1 Soil Geochemical Results for EM2 Baseline (see location Fig 7.1).

10.0 INTERPRETATION AND CONCLUSIONS

The area of the Em1 airborne was tested with 3 BQTK diamond drill holes totaling 520.3m with 27 split core interval of altered or sulphide bearing intervals selected for geochemical analysis. No anomalous results were obtained and the EM1 anomaly was attributed to graphitic and pyritic shear zones and/or wet contact zones between units. The MAG2 airborne anomalies shown on Figure 4.1 is mainly outside the EM1 anomaly and was better defined as a >1km and 50-150m wide, N-S trending zone of gabbro intruded basalt or diabase that is situated west of the EM1 baseline. The magnetic anomaly presently lacks road access for drilling and soil geochemical lines should be run to determine if road building and diamond drilling should be considered.

A 550m, N-S baseline was constructed to cross the northern part of the EM2 airborne anomaly but cross lines were not attempted because of early snowfalls. The baseline should be continued southerly and E-W cross-line used for soil geochemical surveying and ground magnetic and VLF-EM surveying. Prospecting and geological mapping should be conducted within the grid area.

Expanding the property to the south has resulted in acquisition of area of acidic igneous rocks which were evaluated in the past for their gold content. The location of previous exploration areas need to be defined on the ground and a grid constructed over the zone for geological, geochemical and geophysical evaluation of the showing area.

11.0 RECOMMENDATIONS

The writer recommends a 2010 program of ~20 line kilometers of ground VLF-EM and magnetic survey in the EM2 grid area to define the cause of the airborne EM and magnetic anomaly. Selective E-W soil geochemical lines should be run from a N-S baseline to evaluate the metal content of the N-S trending strata underlying the EM2 grid area. A strong magnetic anomaly detected west of the EM1 grid baseline should be evaluated with E-W soil lines spaced at 100m intervals.

The addendum claims were added to cover historic work conducted on gold bearing acidic igneous rocks. The locations of historic work should be located in the field and a N-S baseline constructed for grid surveying to define the extent of auriferous zone. A budget of $60,000cdn is estimated to be necessary for grid geophysical and soil coverage of the EM2 grid area and the gold bearing zone on the addendum claims.

12.0 PERSONNEL AND CONTRACTORS

Table 12.1 List of Contractors.

Contractor	Type of Work	Address
ACME Analytical Laboratories Ltd.	Geochemical Analysis	852 East Hastings Street Vancouver, B.C. V6C 2B3
PAC Geological Consulting Inc.	Grid Construction, Logging Core, Sampling, Geophysical Surveys, Reporting	3707 W. 34th Ave Vancouver, B.C. V6N 2K9
Chong Drafting Services	Drafting	5990 Nelson Ave. Burnaby, B.C. V5H 3H9

13.0 STATEMENT OF COSTS

Table 10.1 Statement of Costs for 2010 Part 2 Chu Chua Program Expenditures.
Funded by Shenul Capital Inc.
Field Work From September 15, 2010 to October 19, 2010

Item	Description	Amount
Mobalization	Review of Property Reports, Preparation of Equipment, Supplies and Permits	$2,500.00
Personnel 23 Field Days	Geologist Dr. Peter A. Christopher P.Eng 35 days 09/15/2010-10/19/2010 @$1000ea Geophy. Operator Gerry Hayne B.Sc. 15 days 09/15/2010-09/29/2010 @$400ea	$35,000.00 6,000.00
Truck Rental	35 days @ $100/day including insurance & 6,000km	$3,500.00
Fuel & Service	Fuel, Tire Repair & Lube	$1,046.30
Equipment Rentals	35 Days @ $200/day: Chain Saw, GPS (3 units), VLF-Em & Magnetometer, Cell Phones, Computer & Printer, Core Splitter & 2 person field equipment	$7,000.00
Hotels	23 days	$2,492.00
Board	50 man days @$67.20/day	$3,360.00
Geochemical Costs	ACME Laboratory Charges	$1,278.85
Drafting	Chong Drafting Services	$1,400.00
Consumables	Flagging, Hip Chain, Maps & Reports, Sample Bags, 300 Aluminum Tagged Pickets, Truck Repairs & Service, & misc.	$379.50
Office Charges	Phone, Copying, Word Processing, etc.	$600.00
Assessment	Preparation and Filing	$3,360.00

Report		
Drilling	520.2m NQTK by Atlas Drilling Ltd.	$23,734.13
Total Costs	Chu Chua Part 2 2010 Program	$91,720.78

"Dr. Peter A. Christopher P.Eng"

14.0 References

Aggarwal, P.K., 1982. Geochemistry of the Chu Chua Deposit, British Columbia. Unpublished University of Alberta, M.Sc. Thesis.

Christopher, P.A. 2010.2010 Assessment Report on Surface Exploration of the Chu Chua Shenul (CCS) Property, Kamloops Mining Division, B.C. for Shenul Capital Inc. dated Nov. 17, 2010.

Gale, D.F., 2007. 2006. Report on Exploration activities, Chu Chua Property, Kamloops Mining Division. For Strongbow Exploration Inc., BCMEMPAssessment Report 28895.

Heberlein, D., 1990. Assessment Report on the 1990 Diamond Drilling Program, Chu 1-3 (9019, 9110, 9112), CC 1-3, CC10-11 (1154, 1373, 1374, 1459, 1460), Ch-1 (1461), Kamloops Mining Division, NTS 92P/8E, Lat. 51°22'N, Long. 120°04'W. BCMEMPR Assessment Report No. 20670.

Paterson, N.R. and Ronka, V., 1969. Five Years of Surveying with the VLF-E.M Method. For Geonics Limited, presented at the 1969 Annual international Meeting, Soc. Exp. Geophysicists.

Raffle, K., and Dufresne, M., 2010. Technical Report on the Base and Precious Metal Potential of the Chu Chua Property, British Columbia.

Raffle, K., 2008. 2008 Report on the Exploration Activities Chu Chua Property, Kamloops Mining Division, NTS 92P/8E, British Columbia. For Strongbow Exploration Inc., BCMEMR Assessment Report.

Schiarizza, P., and Preto, V.A., 1987. Geology of the Adams Plateau-Clearwater-Vavenby Area. BCDM Paper 1987-2, 88p.

Schiarizza, P. et al., 1983. Geology of the Barriere River-Clearwater Area.BCEMPR Preliminary Map No. 53, November 1983.

2010 PART 2 ASSESSMENT REPORT ON EXPLORATION-CCS PROPERTY

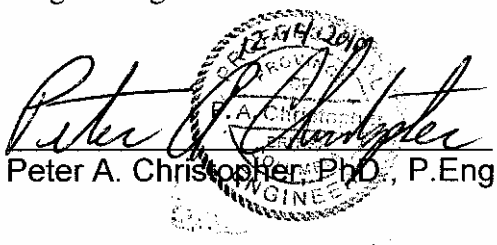
15.0 Certificate

I, Peter A. Christopher, with business address at 3707 West 34th Avenue, Vancouver, British Columbia, do hereby certify that:

1. I am a Consulting Geological Engineer registered (#10,474) with the Association of Professional Engineers and Geoscientists of British Columbia since 1976.
2. I am a past Fellow of the Geological Association of Canada.
3. I hold a B.Sc. (1966) from the State University of New York at Fredonia, a M.A. (1968) from Dartmouth College and a Ph.D. (1973) from the University of British Columbia.
4. I have been practicing my profession as a Geologist for over 35 years and as a Consulting Geological Engineer since June 1981. I have authored over 300 qualifying engineering and exploration reports, and over 20 professional publications. I have work experience in most areas of the United States, Canada, Papua New Guinea, Madagascar, Philippines, Mexico and several other Latin American countries. I have worked on copper deposits in Canada, United States, Chile, Philippines, Mexico, Spain, Portugal, Mozambique and Albania.
5. I am president and exploration manager of Shenul Capital Inc.
6. I am responsible for the preparation of the report entitled "2010 Part 2 Assessment Report on Magnetometer Survey and Diamond Drilling on the Chu Chua Shenul (CCS) Property, Kamloops Mining Division, B.C." dated December 14, 2010. I have based this report on previous copper exploration experience, review of reference listed in Section 14.0 of this report and on personal field supervision of the 2010 Part 1 and Part 2 exploration programs.
7. I consent to the filing of this CCS Report by Shenul for assessment purposes.

Dated at Vancouver, British Columbia, the 14th day of December 2010.

Original Signed and Sealed



Peter A. Christopher, PhD., P.Eng

APPENDIX A: ACME CERTIFICATES OF ANALYSIS AND QA/QC

Acme Analytical Laboratories (Vancouver) Ltd.
1020 Cordova St. East Vancouver BC V6A 4A3 Canada
www.acmelab.com

Client: **PAC Geological Consulting Inc.**
3707 W. 34th Ave.
Vancouver BC V6N 2C9 Canada

Submitted By: Peter Christopher
Receiving Lab: Canada-Vancouver
Received: September 30, 2010
Report Date: October 19, 2010
Page: 1 of 2

CERTIFICATE OF ANALYSIS VAN10005136.1

CLIENT JOB INFORMATION

Project: SHENUL-PAC
Shipment ID:
P.O. Number
Number of Samples: 21

SAMPLE DISPOSAL

DISP-PLP Dispose of Pulp After 90 days
DISP-RJT-SOIL Immediate Disposal of Soil Reject

Acme does not accept responsibility for samples left at the laboratory after 90 days without prior written instructions for sample storage or return.

SAMPLE PREPARATION AND ANALYTICAL PROCEDURES

Method Code	Number of Samples	Code Description	Test Wgt (g)	Report Status	Lab
SS80	21	Dry at 60C sieve 100g to -80 mesh			VAN
Dry at 60C	21	Dry at 60C			VAN
1DX2	20	1:1:1 Aqua Regia digestion ICP-MS analysis	15	Completed	VAN

ADDITIONAL COMMENTS

Invoice To: PAC Geological Consulting Inc.
3707 W. 34th Ave.
Vancouver BC V6N 2C9
Canada

CC:

BRITISH COLUMBIA CERTIFIED ASSAYER
CLARENCE LEONG
GENERAL MANAGER

This report supersedes all previous preliminary and final reports with this file number dated prior to the date on this certificate. Signature indicates final approval; preliminary reports are unsigned and should be used for reference only.
All results are considered the confidential property of the client. Acme assumes the liabilities for actual cost of analysis only.

Acme Analytical Laboratories (Vancouver) Ltd.
1020 Cordova St. East Vancouver BC V6A 4A3 Canada
Phone (604) 253-3158 Fax (604) 253-1716
www.acmelab.com

Client: **PAC Geological Consulting Inc.**
3707 W. 34th Ave.
Vancouver BC V6N 2C9 Canada

Project: SHENUL-PAC
Report Date: October 19, 2010

Page: 2 of 2 Part 1

CERTIFICATE OF ANALYSIS VAN10005136.1

	Method	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX16
	Analyte	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Au	Th	Sr	Cd	Sb	Bi	V	Ca	P
	Unit	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppb	ppm	ppm	ppm	ppm	ppm	ppm	%	%
	MDL	0.1	0.1	0.1	1	0.1	0.1	0.1	1	0.01	0.6	0.1	0.5	0.1	1	0.1	0.1	0.1	2	0.01	0.001
BL80+00E 74+50N	Soil	0.7	24.5	9.8	45	0.2	36.6	14.1	918	2.87	4.1	0.3	1.2	0.9	13	0.2	0.2	0.1	79	0.33	0.045
BL80+00E 74+75N	Soil	0.6	14.3	9.5	38	0.1	27.8	10.7	583	2.51	2.3	0.3	0.7	0.7	10	0.1	0.2	0.2	81	0.20	0.041
BL80+00E 75+00N	Soil	0.8	22.3	6.5	46	0.2	29.8	10.0	298	3.10	4.4	0.3	1.4	1.2	11	0.2	0.3	0.2	94	0.27	0.037
BL80+00E 75+25N	Soil	0.7	14.0	9.1	40	0.1	26.2	9.1	303	2.84	2.6	0.3	1.7	0.7	11	0.2	0.2	0.2	87	0.20	0.036
BL80+00E 75+50N	Soil	0.7	15.8	7.0	43	0.1	22.0	8.8	249	3.05	3.8	0.2	0.8	1.1	12	0.1	0.2	0.1	99	0.22	0.036
BL80+00E 75+75N	Soil	0.7	16.9	6.7	43	0.1	27.9	8.9	275	3.18	2.8	0.3	1.3	1.0	8	0.2	0.2	0.2	86	0.17	0.033
BL80+00E 76+00N	Soil	1.3	29.6	8.7	34	0.4	20.1	11.2	246	2.39	2.3	0.6	<0.5	0.6	6	0.3	0.2	0.2	68	0.11	0.037
BL80+00E 76+25N	Soil	0.7	18.2	8.5	42	0.1	24.8	7.6	390	2.74	3.7	0.2	0.6	0.6	11	0.2	0.2	0.2	85	0.25	0.037
BL80+00E 76+50N	Soil	0.8	23.6	7.6	31	0.3	18.6	6.3	172	2.84	3.5	0.5	0.8	0.6	7	0.2	0.2	0.2	73	0.13	0.034
BL80+00E 76+75N	Soil	0.7	18.7	7.3	34	0.1	22.2	7.3	290	2.70	3.3	0.4	1.8	0.9	8	0.1	0.2	0.2	78	0.13	0.030
BL80+00E 77+00N	Soil	0.7	12.5	9.8	27	0.2	18.3	6.9	326	2.07	2.3	0.3	1.0	0.5	11	0.1	0.2	0.2	77	0.18	0.030
BL80+00E 77+25N	Soil	1.0	24.9	9.2	30	0.4	18.3	6.2	146	2.19	2.3	0.7	<0.5	0.2	8	0.6	0.1	0.2	59	0.13	0.042
BL80+00E 77+75N	Soil	0.7	55.9	7.5	35	1.0	22.6	11.2	140	1.29	2.9	1.6	1.4	<0.1	10	0.5	0.1	0.2	43	0.19	0.080
BL80+00E 78+00N	Soil	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.
BL80+00E 78+25N	Soil	0.8	20.4	10.3	21	0.5	12.4	6.5	127	1.03	1.3	0.6	1.3	0.1	9	0.3	0.1	0.2	48	0.14	0.034
BL80+00E 78+50N	Soil	1.0	9.4	8.7	33	<0.1	13.4	4.7	167	2.06	2.2	0.3	1.1	1.4	11	0.2	0.2	0.2	80	0.23	0.024
BL80+00E 78+75N	Soil	0.7	19.1	8.9	48	0.2	27.1	10.0	427	2.47	3.7	0.3	4.8	1.0	12	0.3	0.3	0.1	77	0.28	0.043
BL80+00E 79+00N	Soil	0.7	8.6	10.1	20	0.2	9.3	2.8	73	1.43	1.4	0.3	2.1	0.8	7	0.2	0.2	0.2	64	0.14	0.033
BL80+00E 79+25N	Soil	1.1	38.7	9.0	46	0.4	32.8	16.5	523	2.48	4.7	0.6	1.2	0.7	12	0.4	0.2	0.1	69	0.28	0.043
BL80+00E 79+75N	Soil	1.0	15.2	8.2	22	0.3	11.5	4.0	104	1.74	1.0	0.6	0.9	0.4	5	0.3	0.1	0.2	48	0.08	0.034
BL80+00E 80+00N	Soil	0.6	31.8	6.8	54	0.1	60.9	16.5	424	3.17	6.9	0.4	1.8	1.3	8	0.1	0.3	0.1	79	0.20	0.033

Acme Analytical Laboratories (Vancouver) Ltd.
1020 Cordova St. East Vancouver BC V6A 4A3 Canada
Phone (604) 253-3158 Fax (604) 253-1716
www.acmelab.com

Client: **PAC Geological Consulting Inc.**
3707 W. 34th Ave.
Vancouver BC V6N 2C9 Canada

Project: SHENUL-PAC
Report Date: October 19, 2010

Page: 2 of 2 Part 2

CERTIFICATE OF ANALYSIS VAN10005136.1

	Method	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16
	Analyte	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Hg	Sc	Tl	S	Ga	Se	Te
	Unit	ppm	ppm	%	ppm	%	ppm	%	%	%	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm
	MDL	1	1	0.01	1	0.001	1	0.01	0.001	0.01	0.1	0.01	0.1	0.1	0.05	1	0.6	0.2
BL80+00E 74+50N	Soil	5	58	0.72	150	0.228	2	1.52	0.008	0.04	<0.1	0.08	2.1	<0.1	<0.05	6	0.6	<0.2
BL80+00E 74+75N	Soil	5	45	0.54	109	0.198	1	1.22	0.011	0.03	<0.1	0.06	1.6	<0.1	<0.05	6	<0.5	<0.2
BL80+00E 75+00N	Soil	6	57	0.70	120	0.299	2	1.46	0.009	0.04	0.1	0.05	2.0	<0.1	<0.05	7	<0.5	<0.2
BL80+00E 75+25N	Soil	4	46	0.51	157	0.228	<1	1.10	0.008	0.03	<0.1	0.05	1.6	<0.1	<0.05	7	0.6	<0.2
BL80+00E 75+50N	Soil	5	45	0.51	143	0.307	1	1.17	0.008	0.03	<0.1	0.03	2.0	<0.1	<0.05	7	<0.5	<0.2
BL80+00E 75+75N	Soil	4	51	0.55	104	0.239	<1	1.20	0.011	0.03	<0.1	0.04	1.6	<0.1	<0.05	7	<0.5	<0.2
BL80+00E 76+00N	Soil	6	39	0.36	81	0.173	2	1.71	0.013	0.03	<0.1	0.06	1.7	<0.1	<0.05	7	<0.5	<0.2
BL80+00E 76+25N	Soil	4	49	0.51	120	0.199	2	1.00	0.008	0.04	<0.1	0.05	1.4	<0.1	<0.05	7	<0.5	<0.2
BL80+00E 76+50N	Soil	5	39	0.40	57	0.197	<1	1.19	0.010	0.03	<0.1	0.06	1.4	<0.1	<0.05	8	<0.5	<0.2
BL80+00E 76+75N	Soil	5	50	0.51	52	0.233	<1	1.36	0.009	0.03	<0.1	0.04	1.7	<0.1	<0.05	7	<0.5	<0.2
BL80+00E 77+00N	Soil	5	39	0.41	114	0.207	<1	0.91	0.010	0.04	<0.1	0.04	1.2	<0.1	<0.05	7	<0.5	<0.2
BL80+00E 77+25N	Soil	7	39	0.41	91	0.144	1	1.66	0.011	0.03	<0.1	0.06	1.5	<0.1	<0.05	8	<0.5	<0.2
BL80+00E 77+75N	Soil	11	47	0.30	119	0.042	1	1.99	0.012	0.03	<0.1	0.11	1.3	<0.1	<0.05	7	0.7	<0.2
BL80+00E 78+00N	Soil	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.	I.S.
BL80+00E 78+25N	Soil	7	26	0.22	108	0.109	<1	1.08	0.013	0.02	<0.1	0.05	1.0	<0.1	<0.05	7	<0.5	<0.2
BL80+00E 78+50N	Soil	5	34	0.30	124	0.286	<1	0.76	0.010	0.02	<0.1	0.06	1.2	<0.1	<0.05	7	<0.5	<0.2
BL80+00E 78+75N	Soil	5	55	0.65	153	0.230	<1	1.15	0.008	0.04	0.1	0.08	1.8	<0.1	<0.05	5	<0.5	<0.2
BL80+00E 79+00N	Soil	5	27	0.16	106	0.208	<1	0.58	0.009	0.03	<0.1	0.03	0.9	<0.1	<0.05	7	<0.5	<0.2
BL80+00E 79+25N	Soil	8	64	0.71	147	0.195	2	1.74	0.013	0.04	0.2	0.07	2.7	<0.1	<0.05	7	0.6	<0.2
BL80+00E 79+75N	Soil	6	33	0.24	57	0.145	<1	1.33	0.011	0.02	<0.1	0.03	1.2	<0.1	<0.05	8	<0.5	<0.2
BL80+00E 80+00N	Soil	8	101	1.21	145	0.163	2	1.81	0.008	0.03	<0.1	0.03	2.8	<0.1	<0.05	5	<0.5	<0.2

Acme Analytical Laboratories (Vancouver) Ltd.
1020 Cordova St. East Vancouver BC V6A 4A3 Canada
Phone (604) 253-3158 Fax (604) 253-1716
www.acmelab.com

Client: **PAC Geological Consulting Inc.**
3707 W. 34th Ave.
Vancouver BC V6N 2C9 Canada

Project: SHENUL-PAC
Report Date: October 19, 2010

QUALITY CONTROL REPORT VAN10005136.1

	Method	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15
	Analyte	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Au	Th	Sr	Cd	Sb	Bi	V	Ca	P
	Unit	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppb	ppm	ppm	ppm	ppm	ppm	ppm	%	%
	MDL	0.1	0.1	0.1	1	0.1	0.1	0.1	1	0.01	0.5	0.1	0.5	0.1	1	0.1	0.1	0.1	2	0.01	0.001
Pulp Duplicates																					
BL80+00E 79+75N	Soil	1.0	15.2	8.2	22	0.3	11.5	4.0	104	1.74	1.0	0.6	0.9	0.4	5	0.3	0.1	0.2	48	0.08	0.034
REP BL80+00E 79+75N	QC	0.9	15.5	8.7	22	0.3	11.6	3.9	102	1.77	1.1	0.5	<0.5	0.3	5	0.3	<0.1	0.2	49	0.08	0.035
Reference Materials																					
STD DS7	Standard	20.8	113.5	71.4	396	1.0	57.7	9.5	608	2.36	54.2	4.8	70.7	4.7	72	6.0	6.3	4.6	87	0.90	0.070
STD DS7 Expected		20.5	109	70.6	411	0.9	56	9.7	627	2.39	48.2	4.9	70	4.4	69	6.4	4.6	4.5	84	0.93	0.08
BLK	Blank	<0.1	<0.1	<0.1	<1	<0.1	<0.1	<0.1	<1	<0.01	<0.5	<0.1	<0.5	<0.1	<1	<0.1	<0.1	<0.1	<2	<0.01	<0.001

AcmeLabs Acme Analytical Laboratories (Vancouver) Ltd.
1020 Cordova St. East Vancouver BC V6A 4A3 Canada
Phone (604) 253-3158 Fax (604) 253-1716
www.acmelab.com

Client: **PAC Geological Consulting Inc.**
3707 W. 34th Ave.
Vancouver BC V6N 2C9 Canada

Project: SHENUL-PAC
Report Date: October 19, 2010

QUALITY CONTROL REPORT VAN10005136.1

	Method	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16
	Analyte	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Hg	Sc	Tl	S	Ga	Se	Te
	Unit	ppm	ppm	%	ppm	%	ppm	%	%	%	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm
	MDL	1	1	0.01	1	0.001	1	0.01	0.001	0.01	0.1	0.01	0.1	0.1	0.05	1	0.5	0.2
Pulp Duplicates																		
BL80+00E 79+75N	Soil	6	33	0.24	57	0.145	<1	1.33	0.011	0.02	<0.1	0.03	1.2	<0.1	<0.05	8	<0.5	<0.2
REP BL80+00E 79+75N	QC	6	33	0.25	56	0.145	1	1.30	0.011	0.02	<0.1	0.04	1.2	<0.1	<0.05	8	<0.5	<0.2
Reference Materials																		
STD DS7	Standard	13	210	1.00	369	0.130	35	0.98	0.087	0.45	3.7	0.18	2.3	4.2	0.19	5	3.6	1.5
STD DS7 Expected		12	179	1.05	410	0.124	39	0.959	0.089	0.44	3.4	0.2	2.5	4.2	0.19	5	3.5	1.08
BLK	Blank	<1	<1	<0.01	<1	<0.001	<1	<0.01	<0.001	<0.01	<0.1	<0.01	<0.1	<0.1	<0.05	<1	<0.5	<0.2

AcmeLabs
Acme Analytical Laboratories (Vancouver) Ltd.
1020 Cordova St. East Vancouver BC V6A 4A3 Canada
www.acmelab.com

Client: **PAC Geological Consulting Inc.**
3707 W. 34th Ave.
Vancouver BC V6N 2C9 Canada

Submitted By: Peter Christopher
Receiving Lab: Canada-Vancouver
Received: October 19, 2010
Report Date: November 07, 2010
Page: 1 of 2

CERTIFICATE OF ANALYSIS VAN10005598.1

CLIENT JOB INFORMATION

Project: SHENUL-PAC
Shipment ID:
P.O. Number
Number of Samples: 20

SAMPLE PREPARATION AND ANALYTICAL PROCEDURES

Method Code	Number of Samples	Code Description	Test Wgt (g)	Report Status	Lab
R200-250	20	Crush split and pulverize 250g drill core to 200 mesh			VAN
1DX2	20	1:1:1 Aqua Regia digestion ICP-MS analysis	15	Completed	VAN

SAMPLE DISPOSAL

DISP-PLP Dispose of Pulp After 90 days
DISP-RJT Dispose of Reject After 90 days

Acme does not accept responsibility for samples left at the laboratory after 90 days without prior written instructions for sample storage or return.

ADDITIONAL COMMENTS

Invoice To: PAC Geological Consulting Inc.
3707 W. 34th Ave.
Vancouver BC V6N 2C9
Canada

CC:

BRITISH COLUMBIA CERTIFIED ASSAYER
CLARENCE LEONG
GENERAL MANAGER

This report supersedes all previous preliminary and final reports with this file number dated prior to the date on this certificate. Signature indicates final approval; preliminary reports are unsigned and should be used for reference only.
All results are considered the confidential property of the client. Acme assumes the liabilities for actual cost of analysis only.
** asterisk indicates that an analytical result could not be provided due to unusually high levels of interference from other elements.

Acme Analytical Laboratories (Vancouver) Ltd.
1020 Cordova St. East Vancouver BC V6A 4A3 Canada
Phone (604) 253-3158 Fax (604) 253-1716
www.acmelab.com

Client: **PAC Geological Consulting Inc.**
3707 W. 34th Ave.
Vancouver BC V6N 2C9 Canada

Project: SHENUL-PAC
Report Date: November 07, 2010

CERTIFICATE OF ANALYSIS VAN10005598.1

	Method	WGHT	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15
	Analyte	Wgt	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Au	Th	Sr	Cd	Sb	Bi	V	Ca
	Unit	kg	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppb	ppm	ppm	ppm	ppm	ppm	ppm	%
	MDL	0.01	0.1	0.1	0.1	1	0.1	0.1	0.1	1	0.01	0.5	0.1	0.5	0.1	1	0.1	0.1	0.1	2	0.01
138262	Drill Core	4.21	0.3	32.7	5.6	72	<0.1	21.5	44.5	690	5.56	<0.5	<0.1	<0.5	<0.1	10	<0.1	<0.1	<0.1	184	0.91
138263	Drill Core	3.26	0.2	39.8	1.4	59	<0.1	17.9	38.2	734	4.99	2.1	<0.1	2.0	<0.1	39	<0.1	0.2	<0.1	212	2.91
138264	Drill Core	3.94	0.4	28.9	0.8	44	<0.1	4.8	24.4	564	4.37	1.1	<0.1	0.7	<0.1	9	<0.1	<0.1	<0.1	129	0.97
138265	Drill Core	5.85	0.4	31.8	1.5	46	<0.1	3.1	28.2	564	5.56	2.0	<0.1	0.7	<0.1	10	<0.1	0.1	<0.1	254	0.72
138266	Drill Core	5.01	0.3	27.5	0.4	46	<0.1	5.1	33.1	684	5.53	1.7	<0.1	0.6	<0.1	26	<0.1	<0.1	<0.1	254	2.59
138267	Drill Core	3.34	0.5	46.6	1.1	43	<0.1	24.1	22.7	603	3.14	<0.5	<0.1	<0.5	<0.1	9	<0.1	<0.1	<0.1	86	1.01
138268	Drill Core	5.25	0.3	51.4	0.8	57	<0.1	52.4	30.0	1010	4.79	10.0	<0.1	1.2	<0.1	39	<0.1	4.3	<0.1	119	3.40
138269	Drill Core	5.71	0.3	50.1	0.5	43	<0.1	28.2	23.0	553	3.14	1.3	<0.1	<0.5	<0.1	14	<0.1	0.4	<0.1	87	1.34
138270	Drill Core	2.87	0.2	43.3	2.0	26	<0.1	18.4	10.0	897	1.23	0.6	0.2	2.4	1.7	14	<0.1	<0.1	<0.1	10	0.32
138271	Drill Core	5.42	1.8	200.6	16.5	172	0.4	23.9	17.2	2602	2.27	1.7	0.2	4.0	2.0	19	0.6	0.1	0.1	18	1.01
138272	Drill Core	5.70	<0.1	4.6	0.6	27	0.2	41.3	15.4	427	2.21	0.7	<0.1	0.8	<0.1	10	<0.1	<0.1	<0.1	53	0.92
138273	Drill Core	5.88	0.2	25.2	0.4	22	<0.1	58.3	16.7	298	1.94	0.8	<0.1	<0.5	<0.1	11	<0.1	<0.1	<0.1	39	0.92
138274	Drill Core	4.49	0.2	32.9	1.2	47	<0.1	103.9	30.0	1128	4.08	6.1	<0.1	0.6	0.1	123	<0.1	0.1	<0.1	127	7.73
138275	Drill Core	4.07	<0.1	39.7	1.1	70	<0.1	72.7	34.0	1059	5.93	0.8	<0.1	1.1	0.2	107	0.1	0.1	<0.1	179	5.85
138276	Drill Core	3.69	0.1	40.6	0.6	68	<0.1	72.4	31.9	1078	5.66	1.0	<0.1	1.0	0.2	97	<0.1	<0.1	<0.1	188	5.26
138277	Drill Core	4.86	0.3	49.3	1.7	59	<0.1	60.2	31.0	1237	4.84	5.9	0.1	3.3	0.2	143	0.1	0.2	<0.1	138	7.91
138351	Rock	1.01	0.2	3.5	0.8	32	<0.1	0.7	10.9	409	3.88	1.6	<0.1	0.5	<0.1	22	<0.1	0.1	<0.1	71	0.86
138352	Rock	1.33	0.4	68.9	0.7	48	<0.1	8.5	20.0	399	4.20	0.8	<0.1	0.6	0.1	21	<0.1	<0.1	<0.1	133	0.81
138353	Rock	0.92	0.8	37.9	11.9	96	0.1	41.0	27.4	1253	5.25	48.2	0.5	3.4	2.4	9	0.3	0.3	0.1	18	0.13
138354	Rock	0.71	0.1	1.9	12.3	32	<0.1	0.8	0.5	311	0.71	11.2	0.9	8.3	20.6	7	<0.1	<0.1	<0.1	2	0.19

AcmeLabs
Acme Analytical Laboratories (Vancouver) Ltd.
1020 Cordova St. East Vancouver BC V6A 4A3 Canada
Phone (604) 253-3158 Fax (604) 253-1716
www.acmelab.com

Client: **PAC Geological Consulting Inc.**
3707 W. 34th Ave.
Vancouver BC V6N 2C9 Canada

Project: SHENUL-PAC
Report Date: November 07, 2010

CERTIFICATE OF ANALYSIS VAN10005598.1

	Method	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15
	Analyte	P	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Hg	Sc	Tl	S	Ga	Se	Te
	Unit	%	ppm	ppm	%	ppm	%	ppm	%	%	%	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm
	MDL	0.001	1	1	0.01	1	0.001	1	0.01	0.001	0.01	0.1	0.01	0.1	0.1	0.05	1	0.5	0.2
138262	Drill Core	0.046	1	3	2.42	16	0.279	<1	2.99	0.020	0.01	<0.1	<0.01	1.8	<0.1	0.13	8	<0.5	<0.2
138263	Drill Core	0.042	1	3	2.40	54	0.222	1	2.69	0.015	0.01	<0.1	<0.01	7.7	<0.1	0.38	7	<0.5	<0.2
138264	Drill Core	0.104	2	2	1.21	18	0.244	1	1.84	0.042	0.01	0.1	<0.01	1.9	<0.1	0.18	8	<0.5	<0.2
138265	Drill Core	0.093	2	1	1.13	44	0.298	<1	1.75	0.040	0.07	<0.1	<0.01	1.4	<0.1	0.19	9	<0.5	<0.2
138266	Drill Core	0.085	2	1	1.91	57	0.291	<1	2.39	0.033	0.11	<0.1	<0.01	5.6	<0.1	0.22	10	<0.5	<0.2
138267	Drill Core	0.079	2	27	1.32	4	0.410	1	1.64	0.047	<0.01	<0.1	<0.01	2.2	<0.1	0.10	5	<0.5	<0.2
138268	Drill Core	0.067	2	85	2.53	82	0.195	2	2.48	0.027	0.06	<0.1	0.03	11.3	<0.1	0.14	6	<0.5	<0.2
138269	Drill Core	0.071	2	37	1.47	13	0.335	<1	1.85	0.042	<0.01	<0.1	<0.01	2.7	<0.1	0.12	5	<0.5	<0.2
138270	Drill Core	0.056	6	17	0.61	57	0.002	1	0.70	0.008	0.09	<0.1	<0.01	1.5	<0.1	<0.05	2	<0.5	<0.2
138271	Drill Core	0.034	6	15	0.62	172	0.005	1	1.03	0.008	0.12	<0.1	0.04	2.7	<0.1	0.15	4	<0.5	<0.2
138272	Drill Core	0.068	2	106	1.38	25	0.164	<1	1.56	0.042	<0.01	0.4	<0.01	2.4	<0.1	<0.05	3	<0.5	<0.2
138273	Drill Core	0.046	1	140	1.52	14	0.126	1	1.42	0.053	0.01	<0.1	<0.01	2.7	<0.1	<0.05	2	<0.5	<0.2
138274	Drill Core	0.048	2	243	3.13	159	0.029	2	2.88	0.026	0.05	<0.1	<0.01	14.6	<0.1	0.07	6	<0.5	<0.2
138275	Drill Core	0.071	4	166	3.14	616	0.004	2	4.19	0.012	0.06	<0.1	<0.01	17.0	<0.1	<0.05	11	<0.5	<0.2
138276	Drill Core	0.071	4	165	3.36	626	0.004	<1	3.98	0.012	0.03	<0.1	<0.01	16.4	<0.1	<0.05	12	<0.5	<0.2
138277	Drill Core	0.060	2	105	2.83	288	0.002	1	2.62	0.021	0.07	<0.1	<0.01	17.8	<0.1	0.09	6	<0.5	<0.2
138351	Rock	0.164	5	2	0.50	29	0.195	<1	1.00	0.057	0.05	<0.1	<0.01	1.7	<0.1	<0.05	7	<0.5	<0.2
138352	Rock	0.119	3	19	1.00	193	0.305	<1	1.42	0.046	0.05	<0.1	<0.01	2.0	<0.1	0.24	7	<0.5	<0.2
138353	Rock	0.044	8	11	0.10	150	0.003	1	0.47	0.024	0.21	<0.1	<0.01	7.8	<0.1	0.34	<1	0.5	<0.2
138354	Rock	0.016	50	3	0.03	93	0.002	<1	0.26	0.050	0.17	<0.1	<0.01	1.1	<0.1	<0.05	<1	<0.5	<0.2

Acme Analytical Laboratories (Vancouver) Ltd.
1020 Cordova St. East Vancouver BC V6A 4A3 Canada
Phone (604) 253-3158 Fax (604) 253-1716
www.acmelab.com

Client: **PAC Geological Consulting Inc.**
3707 W. 34th Ave.
Vancouver BC V6N 2C9 Canada

Project: SHENUL-PAC
Report Date: November 07, 2010
Page: 1 of 1 Part 1

QUALITY CONTROL REPORT VAN10005598.1

	Method	WGHT	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15
	Analyte	Wgt	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Au	Th	Sr	Cd	Sb	Bi	V	Ca
	Unit	kg	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppb	ppm	ppm	ppm	ppm	ppm	ppm	%
	MDL	0.01	0.1	0.1	0.1	1	0.1	0.1	0.1	1	0.01	0.5	0.1	0.5	0.1	1	0.1	0.1	0.1	2	0.01
Pulp Duplicates																					
REP G1	QC		<0.1	2.4	3.2	41	<0.1	2.7	3.9	521	1.81	<0.5	2.1	<0.5	5.5	41	<0.1	<0.1	<0.1	36	0.38
Core Reject Duplicates																					
138267	Drill Core	3.34	0.5	46.6	1.1	43	<0.1	24.1	22.7	603	3.14	<0.5	<0.1	<0.5	<0.1	9	<0.1	<0.1	<0.1	86	1.01
DUP 138267	QC		0.5	49.0	1.3	42	<0.1	26.0	23.4	607	3.13	<0.5	<0.1	0.7	<0.1	10	<0.1	<0.1	<0.1	87	1.03
Reference Materials																					
STD DS7	Standard		20.8	114.1	62.3	411	1.0	56.9	9.7	657	2.43	50.6	4.9	67.5	4.2	72	6.4	6.0	4.8	84	0.99
STD DS7	Standard		21.0	113.0	60.7	392	1.0	57.5	9.3	614	2.37	51.9	4.6	73.0	4.3	68	6.1	5.6	4.5	84	0.97
STD DS7 Expected			20.5	109	70.6	411	0.9	56	9.7	627	2.39	48.2	4.9	70	4.4	69	6.4	4.6	4.5	84	0.93
BLK	Blank		<0.1	<0.1	<0.1	<1	<0.1	<0.1	<0.1	<1	<0.01	<0.5	<0.1	<0.5	<0.1	<1	<0.1	<0.1	<0.1	<2	<0.01
Prep Wash																					
G1	Prep Blank	<0.01																			
G1	Prep Blank	<0.01	<0.1	2.7	5.4	45	<0.1	3.1	4.4	567	1.96	1.4	2.0	0.9	6.3	48	<0.1	<0.1	<0.1	38	0.46
G1	Prep Blank		<0.1	2.4	3.2	43	<0.1	2.3	3.9	522	1.82	<0.5	2.1	1.5	5.5	41	<0.1	<0.1	<0.1	36	0.42

Acme Analytical Laboratories (Vancouver) Ltd.
1020 Cordova St. East Vancouver BC V6A 4A3 Canada
Phone (604) 253-3158 Fax (604) 253-1716
www.acmelab.com

Client: **PAC Geological Consulting Inc.**
3707 W. 34th Ave.
Vancouver BC V6N 2C9 Canada

Project: SHENUL-PAC
Report Date: November 07, 2010

Page: 1 of 1 Part 2

QUALITY CONTROL REPORT VAN10005598.1

	Method	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16	1DX16
	Analyte	P	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Hg	Sc	Tl	S	Ga	Se	Te
	Unit	%	ppm	ppm	%	ppm	%	ppm	%	%	%	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm
	MDL	0.001	1	1	0.01	1	0.001	1	0.01	0.001	0.01	0.1	0.01	0.1	0.1	0.06	1	0.5	0.2
Pulp Duplicates																			
REP G1	QC	0.079	9	7	0.50	161	0.101	1	0.80	0.060	0.45	<0.1	<0.01	1.5	0.3	<0.05	4	<0.5	<0.2
Core Reject Duplicates																			
138267	Drill Core	0.079	2	27	1.32	4	0.410	1	1.64	0.047	<0.01	<0.1	<0.01	2.2	<0.1	0.10	5	<0.5	<0.2
DUP 138267	QC	0.077	2	27	1.34	4	0.459	<1	1.71	0.048	<0.01	<0.1	<0.01	2.1	<0.1	0.10	5	<0.5	<0.2
Reference Materials																			
STD DS7	Standard	0.077	13	196	1.07	414	0.124	37	1.05	0.094	0.49	3.6	0.20	2.3	4.0	0.20	5	2.8	1.5
STD DS7	Standard	0.076	12	191	1.07	413	0.121	37	1.00	0.093	0.45	3.6	0.21	2.2	3.9	0.20	4	3.0	1.0
STD DS7 Expected		0.08	12	179	1.05	410	0.124	39	0.959	0.089	0.44	3.4	0.2	2.5	4.2	0.19	5	3.5	1.08
BLK	Blank	<0.001	<1	<1	<0.01	<1	<0.001	<1	<0.01	<0.001	<0.01	<0.1	<0.01	<0.1	<0.1	<0.05	<1	<0.5	<0.2
Prep Wash																			
G1	Prep Blank																		
G1	Prep Blank	0.089	10	8	0.55	193	0.117	1	0.90	0.072	0.50	0.4	<0.01	1.7	0.3	<0.05	4	<0.5	<0.2
G1	Prep Blank	0.077	9	8	0.49	165	0.106	<1	0.85	0.061	0.46	<0.1	<0.01	1.6	0.3	<0.05	4	<0.5	<0.2

Acme Analytical Laboratories (Vancouver) Ltd.
1020 Cordova St. East Vancouver BC V6A 4A3 Canada
www.acmelab.com

Client: **PAC Geological Consulting Inc.**
3707 W. 34th Ave.
Vancouver BC V6N 2C9 Canada

Submitted By: Peter Christopher
Receiving Lab: Canada-Vancouver
Received: September 30, 2010
Report Date: November 15, 2010
Page: 1 of 2

CERTIFICATE OF ANALYSIS VAN10005137.1

CLIENT JOB INFORMATION

Project: SHENUL-PAC
Shipment ID:
P.O. Number
Number of Samples: 11

SAMPLE PREPARATION AND ANALYTICAL PROCEDURES

Method Code	Number of Samples	Code Description	Test Wgt (g)	Report Status	Lab
R200-250	11	Crush split and pulverize 250g drill core to 200 mesh			VAN
1DX2	11	1:1:1 Aqua Regia digestion ICP-MS analysis	15	Completed	VAN

SAMPLE DISPOSAL

DISP-PLP Dispose of Pulp After 90 days
DISP-RJT Dispose of Reject After 90 days

Acme does not accept responsibility for samples left at the laboratory after 90 days without prior written instructions for sample storage or return.

ADDITIONAL COMMENTS

Invoice To: PAC Geological Consulting Inc.
3707 W. 34th Ave.
Vancouver BC V6N 2C9
Canada

CC:

BRITISH COLUMBIA CERTIFIED ASSAYER
CLARENCE LEONG
GENERAL MANAGER

This report supersedes all previous preliminary and final reports with this file number dated prior to the date on this certificate. Signature indicates final approval; preliminary reports are unsigned and should be used for reference only.
All results are considered the confidential property of the client. Acme assumes the liabilities for actual cost of analysis only.
"**" asterisk indicates that an analytical result could not be provided due to unusually high levels of interference from other elements.

AcmeLabs
Acme Analytical Laboratories (Vancouver) Ltd.
1020 Cordova St. East Vancouver BC V6A 4A3 Canada
Phone (604) 253-3158 Fax (604) 253-1716
www.acmelab.com

Client: **PAC Geological Consulting Inc.**
3707 W. 34th Ave.
Vancouver BC V6N 2C9 Canada

Project: SHENUL-PAC
Report Date: November 15, 2010

CERTIFICATE OF ANALYSIS VAN10005137.1

	Method	WGHT	1DX15	1DX15	1DX16	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX16	1DX16	1DX15	1DX16	1DX15	1DX16
	Analyte	Wgt	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Au	Th	Sr	Cd	Sb	Bi	V	Ca
	Unit	kg	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppb	ppm	ppm	ppm	ppm	ppm	ppm	%
	MDL	0.01	0.1	0.1	0.1	1	0.1	0.1	0.1	1	0.01	0.5	0.1	0.5	0.1	1	0.1	0.1	0.1	2	0.01
E138251	Drill Core	4.79	0.3	58.5	60.6	78	0.1	67.7	24.4	443	3.32	1.4	<0.1	0.9	<0.1	12	0.4	0.6	<0.1	68	0.75
E138252	Drill Core	3.93	0.5	10.1	9.9	12	<0.1	7.4	3.0	72	0.63	1.1	4.3	<0.5	15.1	17	<0.1	0.1	<0.1	16	0.45
E138253	Drill Core	4.11	0.7	92.7	2.5	28	0.1	30.0	15.3	308	2.41	4.8	0.7	<0.5	1.7	27	<0.1	0.2	<0.1	84	1.08
E138254	Drill Core	4.15	0.3	72.6	2.2	15	0.1	10.9	4.3	160	0.63	0.9	0.3	<0.5	1.4	9	<0.1	<0.1	<0.1	48	0.30
E138255	Drill Core	2.44	14.3	96.3	2.6	14	<0.1	28.7	12.1	233	1.78	2.9	2.2	<0.5	10.4	34	<0.1	0.3	<0.1	82	1.58
E138256	Drill Core	4.27	0.1	1.9	1.5	14	<0.1	21.7	6.0	332	1.22	0.6	0.5	<0.5	2.6	53	<0.1	0.1	<0.1	79	2.29
E138257	Drill Core	5.24	0.2	64.6	1.2	32	<0.1	74.9	22.1	360	2.76	2.0	<0.1	<0.5	<0.1	16	<0.1	<0.1	<0.1	65	1.02
E138258	Drill Core	5.70	0.3	48.2	0.9	36	<0.1	23.7	22.3	360	3.43	2.4	<0.1	<0.5	<0.1	28	<0.1	<0.1	<0.1	97	1.07
E138259	Drill Core	2.66	0.2	48.9	0.7	40	<0.1	45.2	23.4	476	3.88	2.5	<0.1	<0.5	<0.1	16	<0.1	0.1	<0.1	105	0.84
E138260	Drill Core	5.79	0.3	77.2	0.6	37	<0.1	29.9	24.5	418	3.47	1.4	<0.1	<0.5	<0.1	15	<0.1	<0.1	<0.1	82	1.06
E138261	Drill Core	5.37	0.2	29.4	0.6	42	<0.1	16.1	28.5	581	4.57	9.0	<0.1	<0.5	<0.1	23	<0.1	0.1	<0.1	173	2.30

Acme Analytical Laboratories (Vancouver) Ltd.
1020 Cordova St. East Vancouver BC V6A 4A3 Canada
Phone (604) 253-3158 Fax (604) 253-1716
www.acmelab.com

Client: **PAC Geological Consulting Inc.**
3707 W. 34th Ave.
Vancouver BC V6N 2C9 Canada

Project: SHENUL-PAC
Report Date: November 15, 2010

CERTIFICATE OF ANALYSIS VAN10005137.1

	Method	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15
	Analyte	P	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Hg	Sc	Tl	S	Ga	Se	Te
	Unit	%	ppm	ppm	%	ppm	%	ppm	%	%	%	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm
	MDL	0.001	1	1	0.01	1	0.001	1	0.01	0.001	0.01	0.1	0.01	0.1	0.1	0.05	1	0.5	0.2
E138251	Drill Core	0.057	2	90	1.71	305	0.173	<1	2.01	0.067	0.02	<0.1	0.15	2.1	<0.1	0.18	4	0.5	<0.2
E138252	Drill Core	0.010	34	8	0.46	1238	0.014	<1	0.61	0.045	0.08	0.1	0.03	1.5	<0.1	<0.05	3	<0.5	<0.2
E138253	Drill Core	0.112	8	48	1.36	735	0.091	<1	1.38	0.024	0.04	<0.1	0.02	4.8	<0.1	0.16	6	<0.5	<0.2
E138254	Drill Core	0.005	2	22	0.57	323	0.004	<1	0.50	0.026	0.02	<0.1	0.01	2.4	<0.1	<0.05	3	<0.5	<0.2
E138255	Drill Core	0.023	19	13	1.31	424	0.098	<1	1.26	0.045	0.05	<0.1	<0.01	3.1	<0.1	0.60	4	5.7	<0.2
E138256	Drill Core	0.005	3	34	1.36	290	0.034	<1	1.01	0.029	0.03	<0.1	0.01	3.9	<0.1	0.47	6	<0.5	<0.2
E138257	Drill Core	0.030	<1	168	1.66	58	0.174	<1	1.78	0.061	0.02	<0.1	<0.01	3.5	<0.1	0.09	3	<0.5	<0.2
E138258	Drill Core	0.054	2	10	1.36	47	0.228	<1	2.00	0.053	0.02	<0.1	<0.01	1.7	<0.1	0.15	5	0.6	<0.2
E138259	Drill Core	0.071	3	54	1.89	325	0.182	<1	2.24	0.051	0.03	<0.1	<0.01	5.3	<0.1	0.11	6	0.7	<0.2
E138260	Drill Core	0.061	2	19	1.77	16	0.253	<1	2.21	0.056	<0.01	<0.1	<0.01	2.0	<0.1	0.42	4	0.7	<0.2
E138261	Drill Core	0.051	1	5	1.82	28	0.295	<1	2.45	0.043	0.02	<0.1	<0.01	6.0	<0.1	0.20	6	0.5	<0.2

Acme Analytical Laboratories (Vancouver) Ltd.
1020 Cordova St. East Vancouver BC V6A 4A3 Canada
Phone (604) 253-3158 Fax (604) 253-1716
www.acmelab.com

Client: **PAC Geological Consulting Inc.**
3707 W. 34th Ave.
Vancouver BC V6N 2C9 Canada

Project: SHENUL-PAC
Report Date: November 15, 2010

QUALITY CONTROL REPORT VAN10005137.1

	Method	WGHT	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15
	Analyte	Wgt	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Au	Th	Sr	Cd	Sb	Bi	V	Ca
	Unit	kg	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppb	ppm	ppm	ppm	ppm	ppm	ppm	%
	MDL	0.01	0.1	0.1	0.1	1	0.1	0.1	0.1	1	0.01	0.5	0.1	0.5	0.1	1	0.1	0.1	0.1	2	0.01
Pulp Duplicates																					
REP G1	QC		<0.1	3.2	3.0	38	<0.1	2.2	3.5	486	1.69	<0.5	1.8	4.9	5.4	38	<0.1	<0.1	<0.1	31	0.38
Core Reject Duplicates																					
E138252	Drill Core	3.93	0.5	10.1	9.9	12	<0.1	7.4	3.0	72	0.63	1.1	4.3	<0.5	15.1	17	<0.1	0.1	<0.1	16	0.45
DUP E138252	QC		0.5	10.1	9.5	12	<0.1	6.9	2.9	75	0.68	1.0	4.2	<0.5	14.6	17	<0.1	0.2	<0.1	16	0.42
Reference Materials																					
STD DS7	Standard		19.9	114.9	71.5	400	1.0	55.8	9.4	639	2.47	55.5	5.0	82.2	4.8	75	6.1	6.0	4.9	82	0.98
STD DS7	Standard		20.4	110.7	68.1	389	0.9	54.0	9.1	602	2.37	51.6	5.0	60.6	4.9	75	5.8	6.0	4.7	80	0.95
STD DS7	Standard		20.4	95.6	62.0	379	0.9	52.9	8.8	610	2.28	51.6	4.6	67.2	4.1	66	5.9	5.6	4.4	76	0.92
STD DS7	Standard		19.6	98.3	64.1	380	1.0	53.2	9.3	606	2.31	50.7	4.5	65.4	4.2	65	6.0	5.4	4.5	76	0.91
STD DS7 Expected			20.5	109	70.6	411	0.9	56	9.7	627	2.39	48.2	4.9	70	4.4	69	6.4	4.6	4.5	84	0.93
BLK	Blank		<0.1	<0.1	<0.1	<1	<0.1	<0.1	<0.1	<1	<0.01	<0.5	<0.1	<0.5	<0.1	<1	<0.1	<0.1	<0.1	<2	<0.01
BLK	Blank		<0.1	<0.1	<0.1	<1	<0.1	<0.1	<0.1	<1	<0.01	<0.5	<0.1	<0.5	<0.1	<1	<0.1	<0.1	<0.1	<2	<0.01
Prep Wash																					
G1	Prep Blank	<0.01																			
G1	Prep Blank	<0.01	<0.1	2.8	2.1	39	<0.1	2.7	4.0	514	1.87	<0.5	1.5	2.3	5.6	40	<0.1	<0.1	<0.1	35	0.43
G1	Prep Blank		0.1	3.6	2.7	39	<0.1	2.5	3.7	501	1.76	<0.5	1.9	11.5	5.6	41	<0.1	<0.1	0.1	33	0.39

Acme Analytical Laboratories (Vancouver) Ltd.
1020 Cordova St. East Vancouver BC V6A 4A3 Canada
Phone (604) 253-3158 Fax (604) 253-1716
www.acmelab.com

Client: **PAC Geological Consulting Inc.**
3707 W. 34th Ave.
Vancouver BC V6N 2C9 Canada

Project: SHENUL-PAC
Report Date: November 15, 2010

QUALITY CONTROL REPORT VAN10005137.1

	Method	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15
	Analyte	P	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Hg	Sc	Tl	S	Ga	Se	Te
	Unit	%	ppm	ppm	%	ppm	%	ppm	%	%	%	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm
	MDL	0.001	1	1	0.01	1	0.001	1	0.01	0.001	0.01	0.1	0.01	0.1	0.1	0.05	1	0.5	0.2
Pulp Duplicates																			
REP G1	QC	0.068	12	5	0.44	153	0.094	<1	0.79	0.067	0.45	<0.1	<0.01	1.7	0.3	<0.05	4	<0.5	<0.2
Core Reject Duplicates																			
E138252	Drill Core	0.010	34	8	0.46	1238	0.014	<1	0.61	0.045	0.08	0.1	0.03	1.5	<0.1	<0.05	3	<0.5	<0.2
DUP E138252	QC	0.010	32	7	0.46	1232	0.015	<1	0.65	0.058	0.10	<0.1	0.03	1.7	<0.1	<0.05	3	<0.5	<0.2
Reference Materials																			
STD DS7	Standard	0.085	13	199	1.06	392	0.122	41	1.04	0.097	0.47	3.6	0.21	2.3	4.1	0.20	5	3.7	0.9
STD DS7	Standard	0.083	13	195	1.08	387	0.124	41	1.08	0.100	0.46	3.6	0.22	2.4	3.9	0.19	5	3.0	1.7
STD DS7	Standard	0.074	13	182	0.98	405	0.106	38	1.02	0.087	0.46	3.7	0.21	2.4	3.9	0.18	5	3.5	0.8
STD DS7	Standard	0.076	13	188	1.02	405	0.107	40	0.97	0.090	0.47	3.7	0.24	2.4	3.9	0.18	5	3.3	1.4
STD DS7 Expected		0.08	12	179	1.05	410	0.124	39	0.959	0.089	0.44	3.4	0.2	2.5	4.2	0.19	5	3.5	1.08
BLK	Blank	<0.001	<1	<1	<0.01	<1	<0.001	<1	<0.01	<0.001	<0.01	<0.1	<0.01	<0.1	<0.1	<0.05	<1	<0.5	<0.2
BLK	Blank	<0.001	<1	<1	<0.01	<1	<0.001	<1	<0.01	<0.001	<0.01	<0.1	<0.01	<0.1	<0.1	<0.05	<1	<0.5	<0.2
Prep Wash																			
G1	Prep Blank																		
G1	Prep Blank	0.079	12	6	0.50	179	0.102	<1	0.82	0.063	0.47	0.1	<0.01	1.8	0.3	<0.05	4	<0.5	<0.2
G1	Prep Blank	0.072	13	5	0.45	162	0.101	<1	0.81	0.070	0.46	<0.1	0.03	1.7	0.3	<0.05	4	<0.5	<0.2

APPENDIX B ACME Quality Assurance & Certification

Acme Analytical Laboratories has dedicated itself to providing a high quality service to the mining and exploration industry.

Quality Management System and ISO Registration

Foreseeing the need for a globally recognized mark of quality in 1994, Acme began adapting its Quality Management System to an ISO 9000 model. Acme implemented a quality system compliant with the International Standards Organization (ISO) 9001 Model for Quality Assurance and ISO/IEC 17025 General Requirements for the Competence of Testing and Calibration Laboratories. On November 13, 1996, Acme became the first commercial geochemical analysis and assaying lab in North America to be accredited under ISO 9001. The laboratory has maintained its registration in good standing since then. Vancouver expanded the scope of it's registration to include the Smithers preparation facility in June of 2009, Yellowknife in April 2010 and Whitehorse in May 2010.

In 2005 the Santiago, Chile laboratories received ISO 9001:2000 registration with the preparation facilities in Mendoza, Argentina and Georgetown, Guyana following in 2006 and Acme's Lima, Peru facility in 2009. As of July 2010 Chile's new Copiapo facility has been added to the Sanitago registration and shortly Acme anticipates the addition of both Medellin Colombia and Goiania Brazil.

Both the Vancouver and Santiago hub laboratories are working toward ISO 17025:2005 accreditation and are expected to complete the accreditation process within the next year.

Acme has for many years regularly participated in the CANMET and Geostats round robin proficiency tests. Acme is recognized as a participant in the CALA Proficiency Testing Program and is registered by the BC Ministry of Water Land and Air Protection under the Environmental Data Quality Assurance (EDQA) Regulation.

All laboratories fall under the Quality Management Scope helping to ensure the same practices and procedures are followed throughout the organization.

Quality Control in Testing

Samples submitted are analyzed with the strictest quality control. Blanks (analytical and method), duplicates and standard reference materials inserted in the sequences of client samples provide a measure of background noise, accuracy and precision. QA/QC protocol incorporates agranite or quartz sample-prep blank(s) carried through all stages of preparation and analysis as the first sample(s) in the job. Typically an analytical batch will be comprised of 34-36 client samples, a pulp duplicate to monitor analytical precision, a -10 mesh reject duplicate to monitor sub-sampling variation (drill core only), a reagent blank to measure background and an aliquot of Certified Reference Material (CRM) or Inhouse Reference Material to monitor accuracy. In the absence of suitable CRMs Inhouse Reference Materials are prepared and certified against internationally certified reference materials such as CANMET and USGS standards where possible and will be externally verified at a minimum of 3 other commercial laboratories. Using these inserted quality control samples each analytical batch and complete job is rigorously reviewed and validated prior to release.

Acme has always prided itself on providing the highest level of quality control data to its clients. Recent implementation of Acme new laboratory information management system (LIMS) and AcmeAccess provides clients with even greater access to quality control data.

APPENDIX C DIAMOND DRILL HOLE LOGS

Peter Christopher & Associates Inc.
GEOLOGICAL & EXPLORATION SERVICES

Page 1 of 3

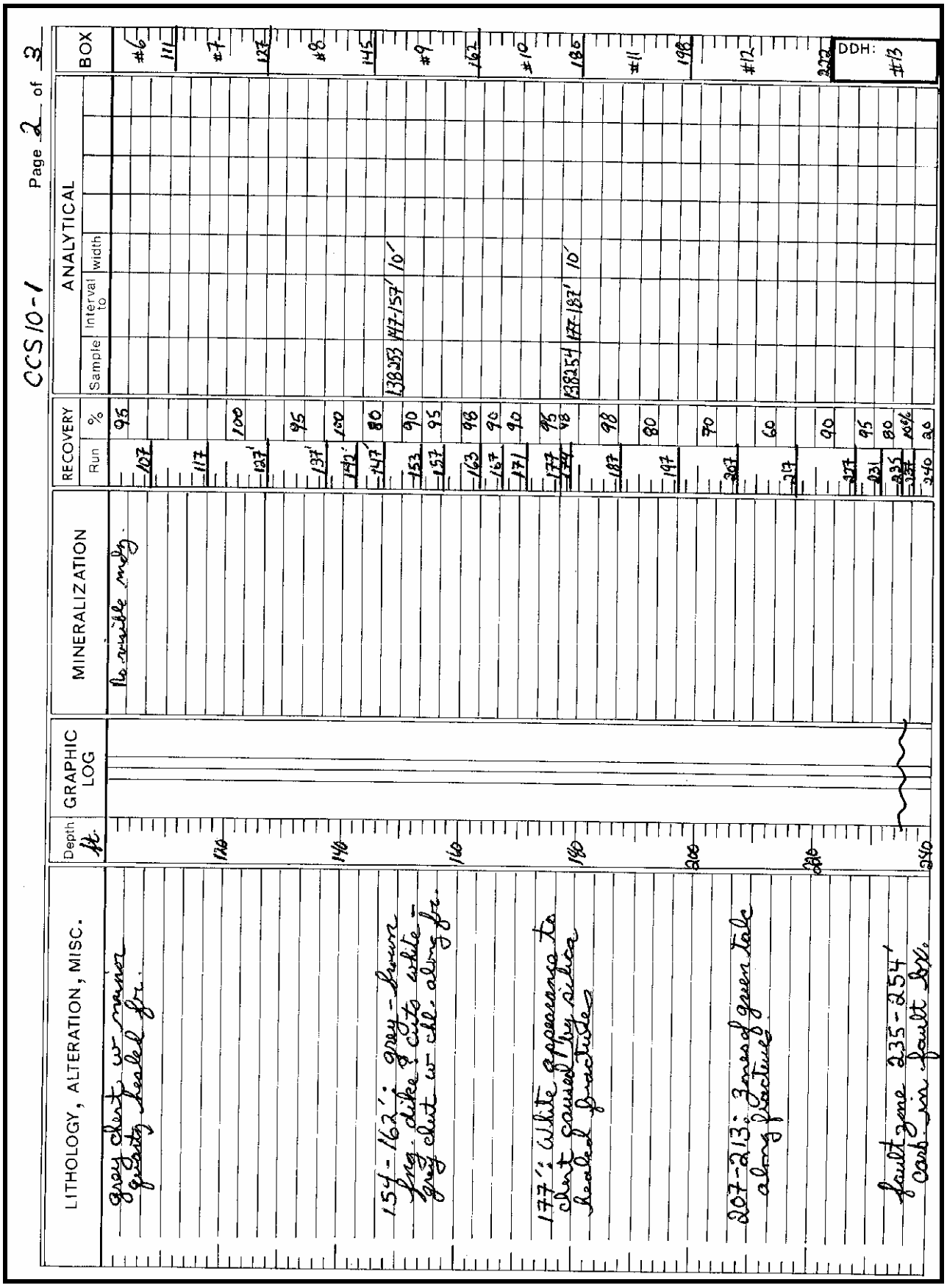
Property	Chu Chua Skoul	Hole No.	CCS 10-1
Location	EM 1 GRID 51°18.979'N 120°01.446'W	Bearing at collar	270°
Coord.- Collar N	5689215	Inclination at collar	-58°
E	0707377	Length	377' (114.9m)
Elev. - Collar	~1831m	Core Size	BQTK
Date Started	Sept. 20, 2010		
Date Completed	Sept. 26, 2010	Logged By	PAC

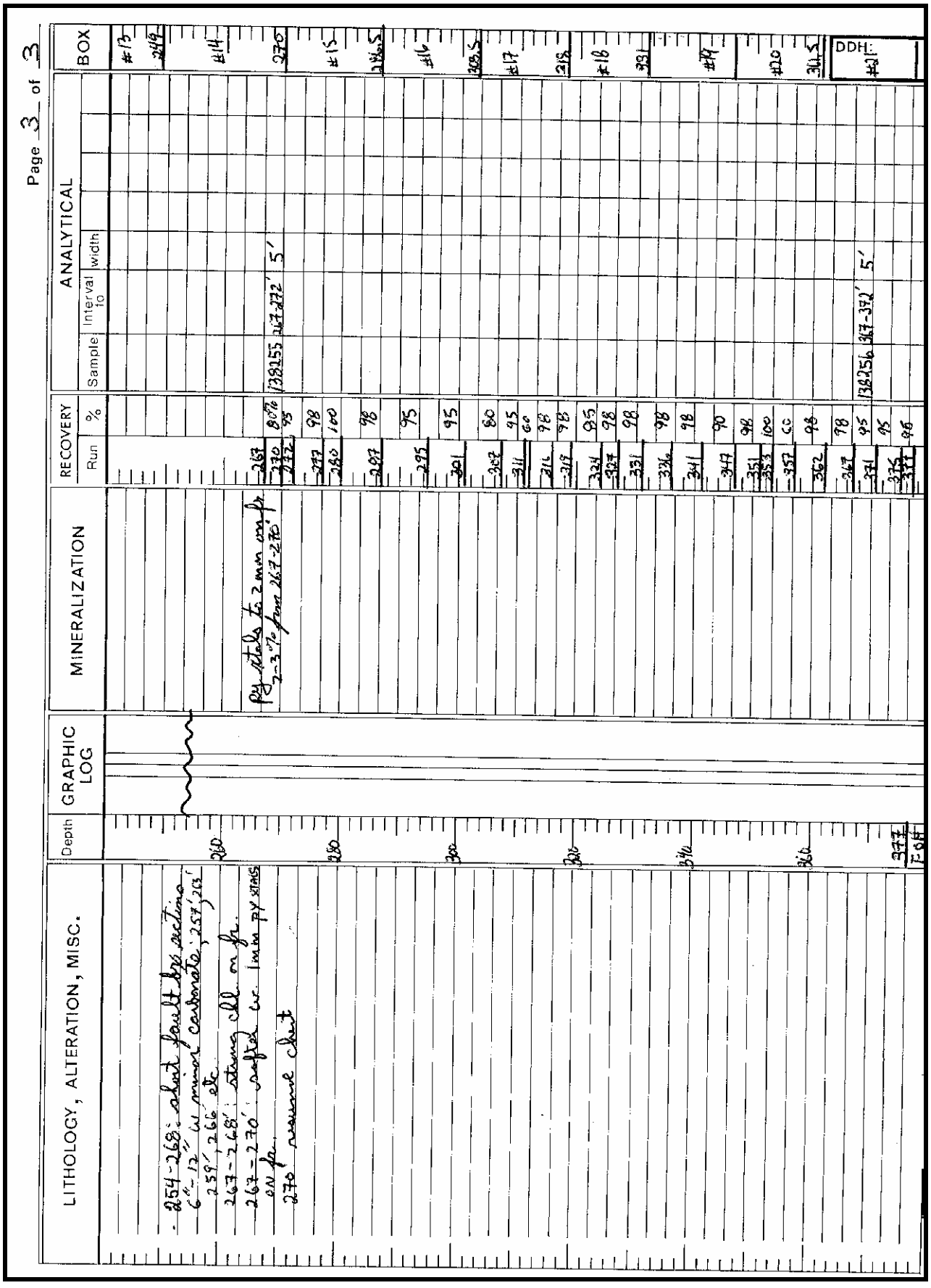
LEGEND

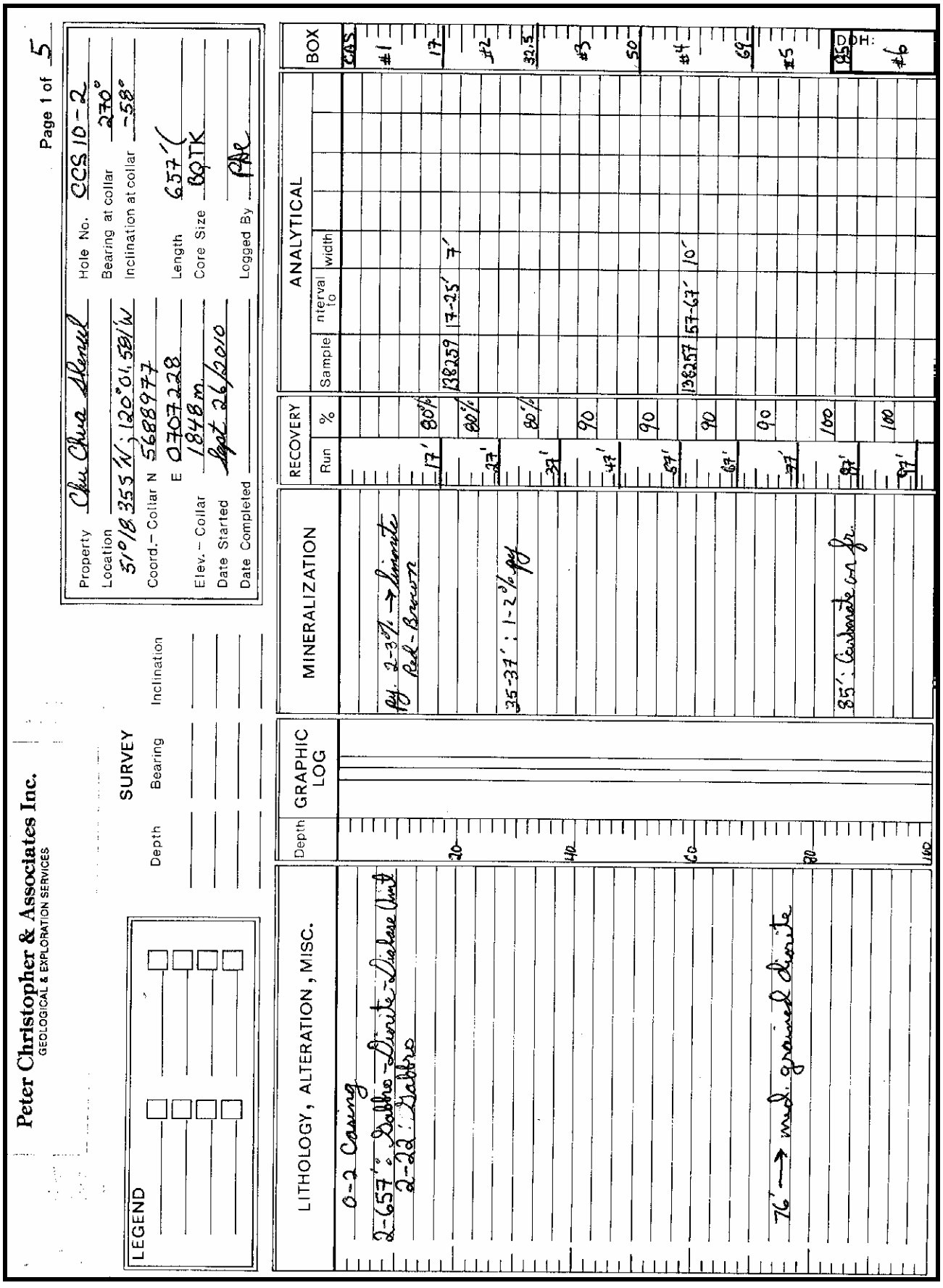
SURVEY N/A

Depth	Bearing	Inclination

LITHOLOGY, ALTERATION, MISC.	Depth	GRAPHIC LOG	MINERALIZATION	RECOVERY Run	RECOVERY %	ANALYTICAL Sample	Interval to	width	Cu ppm	Au ppb	BOX
0-70.5': Gabbro-Diorite-Diabase unit fractures healed w quartz & feldspar. Coarser Gabbroic Sections (18%) cutting f.g. diorite-diabase			Little visible moly, rare rusty fracture with py and carb coating.	7'	40						#1
				17'	98						
	20			27'	98	138251	17-27'	10'			20'
				37'	95						#2 37'
	40			47'	95						#3
				57'	100						56.5'
	60			67'	98						#4
70.5'-377': Chert with minor faulting & sediment-volcanic layers (minor); fractured & silica healed				77'	98						75'
	80			87'	85	138252	77-87'	10'			#5
				97'	95						DDH: 93' #6


CCS10-1
Page 2 of 3
LITHOLOGY, ALTERATION, MISC.
Depth ft.
GRAPHIC LOG
MINERALIZATION
RECOVERY
Run
%
ANALYTICAL
Sample
Interval to
width
BOX
DDH: #13
Grey chert w/ minor quartz healed fx.
154-162': grey-brown frag. dike & cite white frag. clst w/ chl. alt'n & fx.
177': white appearance to clst caused by silica healed fractures
207-213': 3mm of green talc along fractures
fault zone 235-254' carbon in fault fx.
#6
#7
#8
#9
#10
#11
#12
#13
138253 147-154' 10'
138254 177-187' 10'


Page 3 of 3
LITHOLOGY, ALTERATION, MISC.
Depth
GRAPHIC LOG
MINERALIZATION
RECOVERY
Run
%
ANALYTICAL
Sample
Interval to
width
BOX
DDH:
- 254-268: schist fault bx section
6"-12" w/ minor carbonate, 257', 258'
259', 266' etc.
263-268' strong chl mfg.
268-270' sulfide w. 1mm py stks
on fg.
270' resume chst
Py stds to 2 mm mfg
2-3% from 267-270'
138255 267-272' 5'
138256 367-372' 5'
#13
#14
#15
#16
#17
#18
#19
#20
#21
EOH



Peter Christopher & Associates Inc.
GEOLOGICAL & EXPLORATION SERVICES

Page 1 of 5

Property Chu Chua Mineral — Hole No. CCS 10-2
Location 51°18 355 N; 120°01, 581 W — Bearing at collar 270°
Coord. – Collar N 5688977 — Inclination at collar -58°
E 0707228 — Length 657'
Elev. – Collar 1848 m — Core Size BQTK
Date Started Sept 26/2010
Date Completed — Logged By PAC

LEGEND

SURVEY
Depth | Bearing | Inclination

LITHOLOGY, ALTERATION, MISC.
0-2 Casing
2-657': Dalhousie-Diorite-Diabase Unit
2-22': Dalhousie
76' → mod. gravel diorite

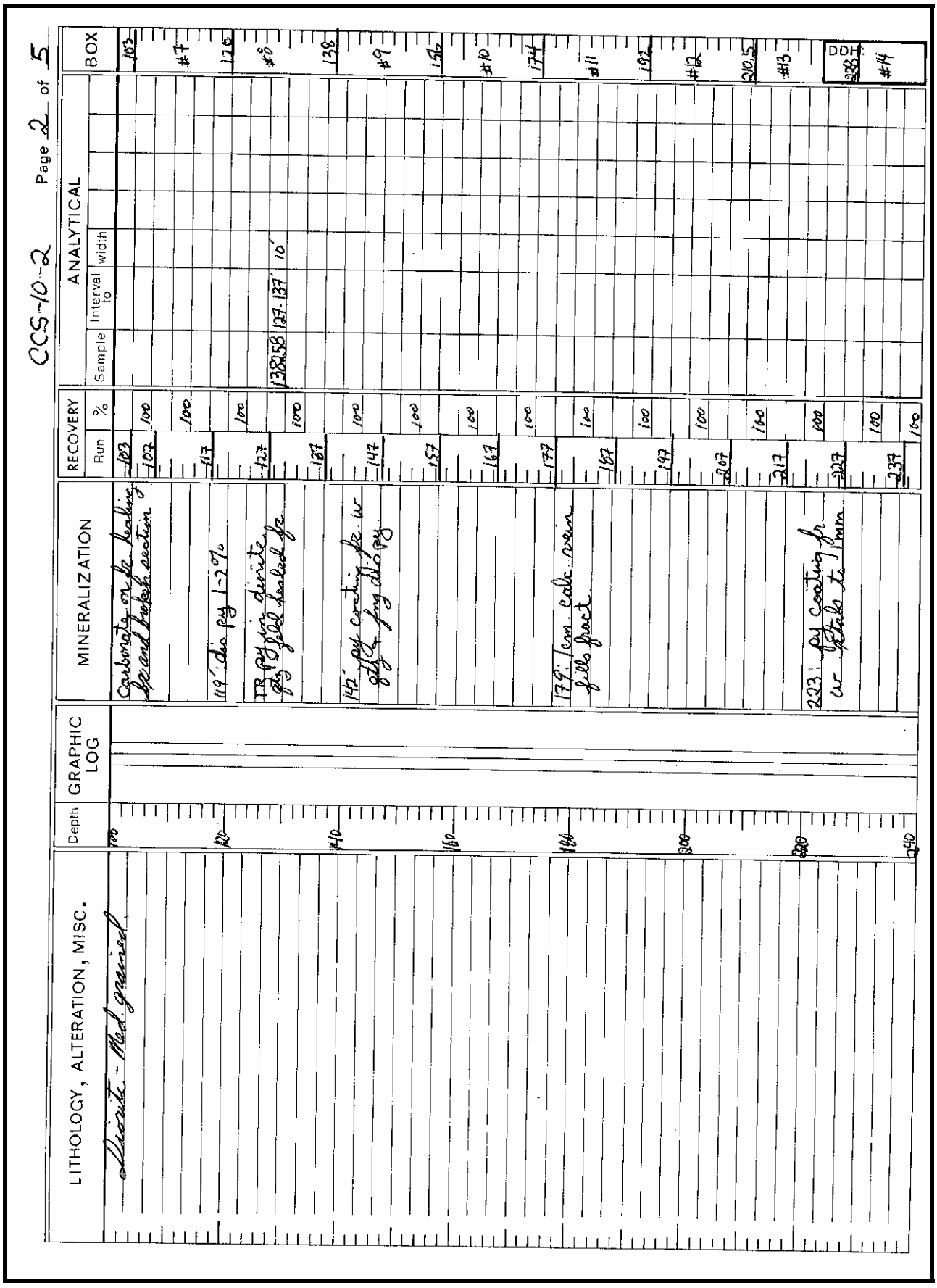
Depth | GRAPHIC LOG

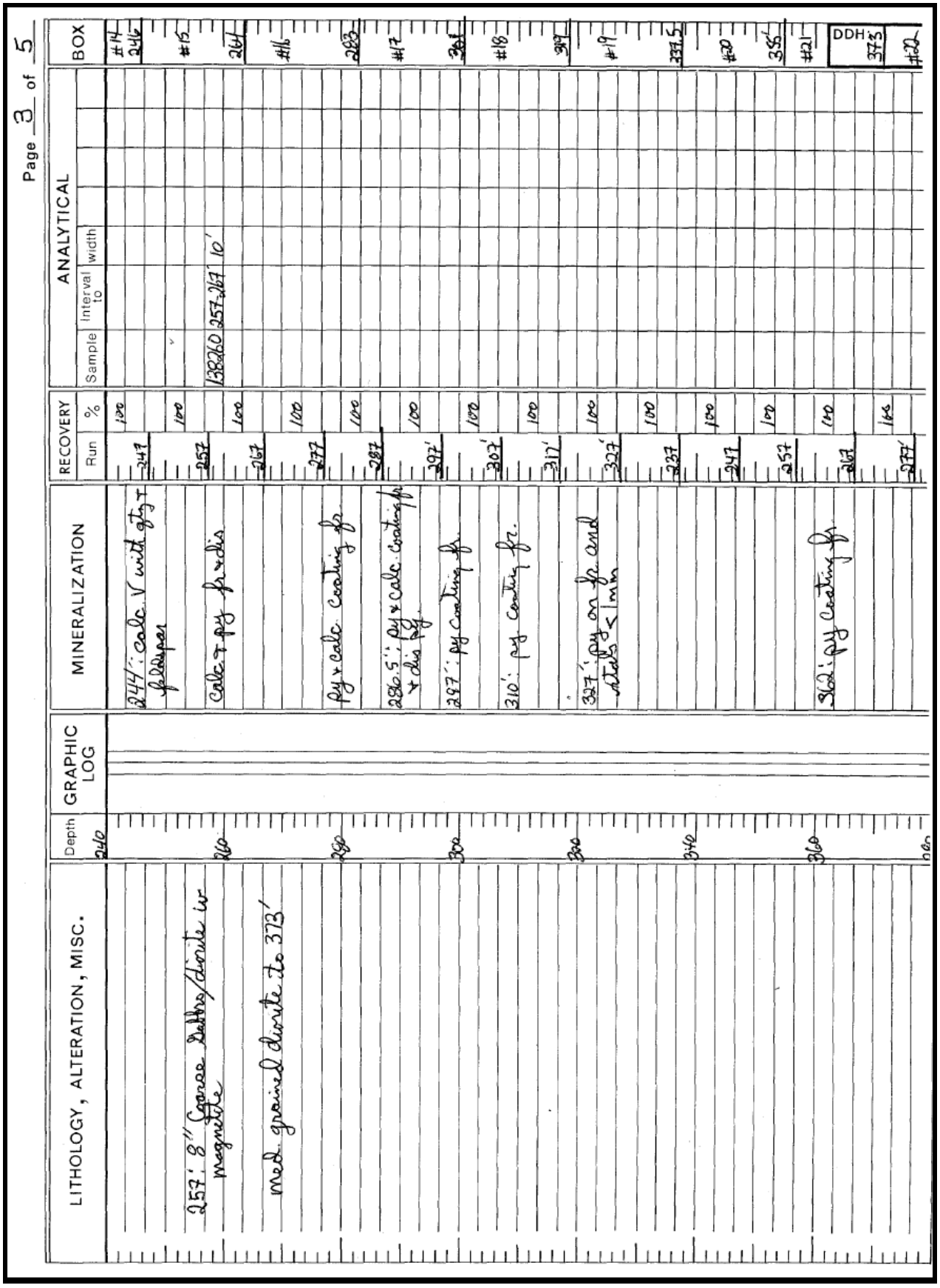
MINERALIZATION
fg. 2-3% → limonite
Red-Brown
35-37': 1-2% py
85': limonite on fr.

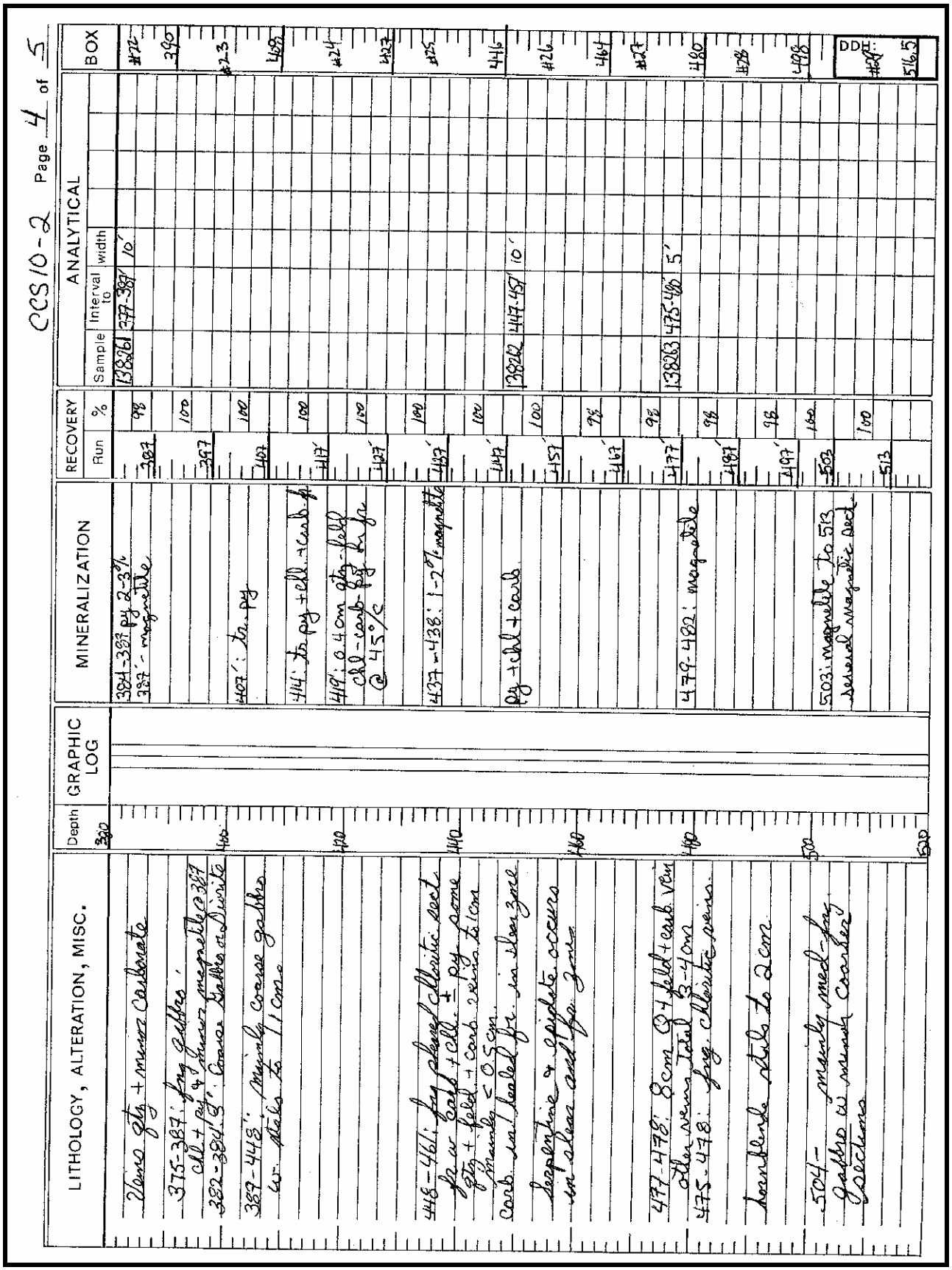
RECOVERY
Run | %

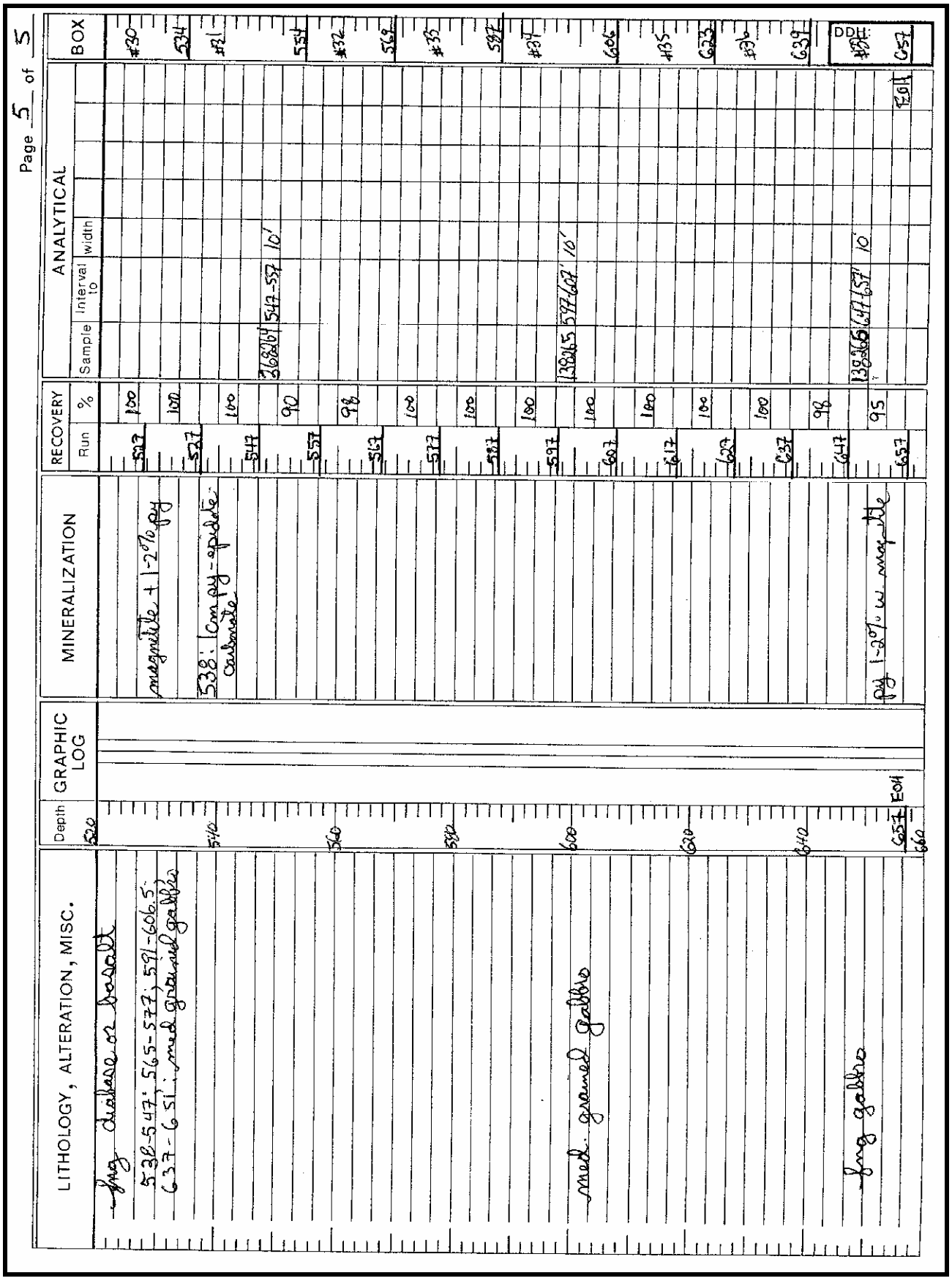
ANALYTICAL
Sample | interval to | width

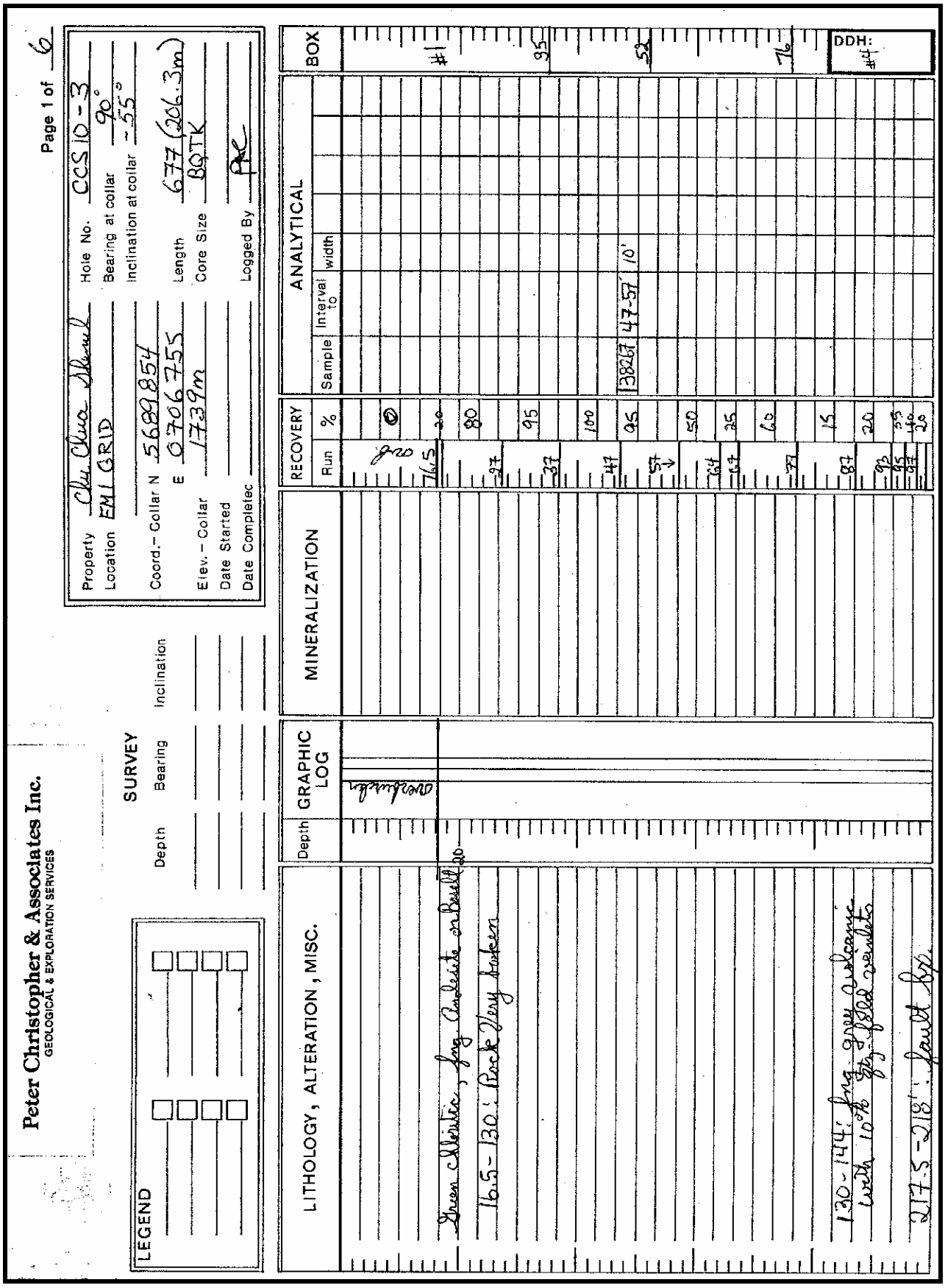
BOX
CAS
#1 17'
#2 32.5'
#3 50'
#4 69'
#5 85'
DDH:
#6

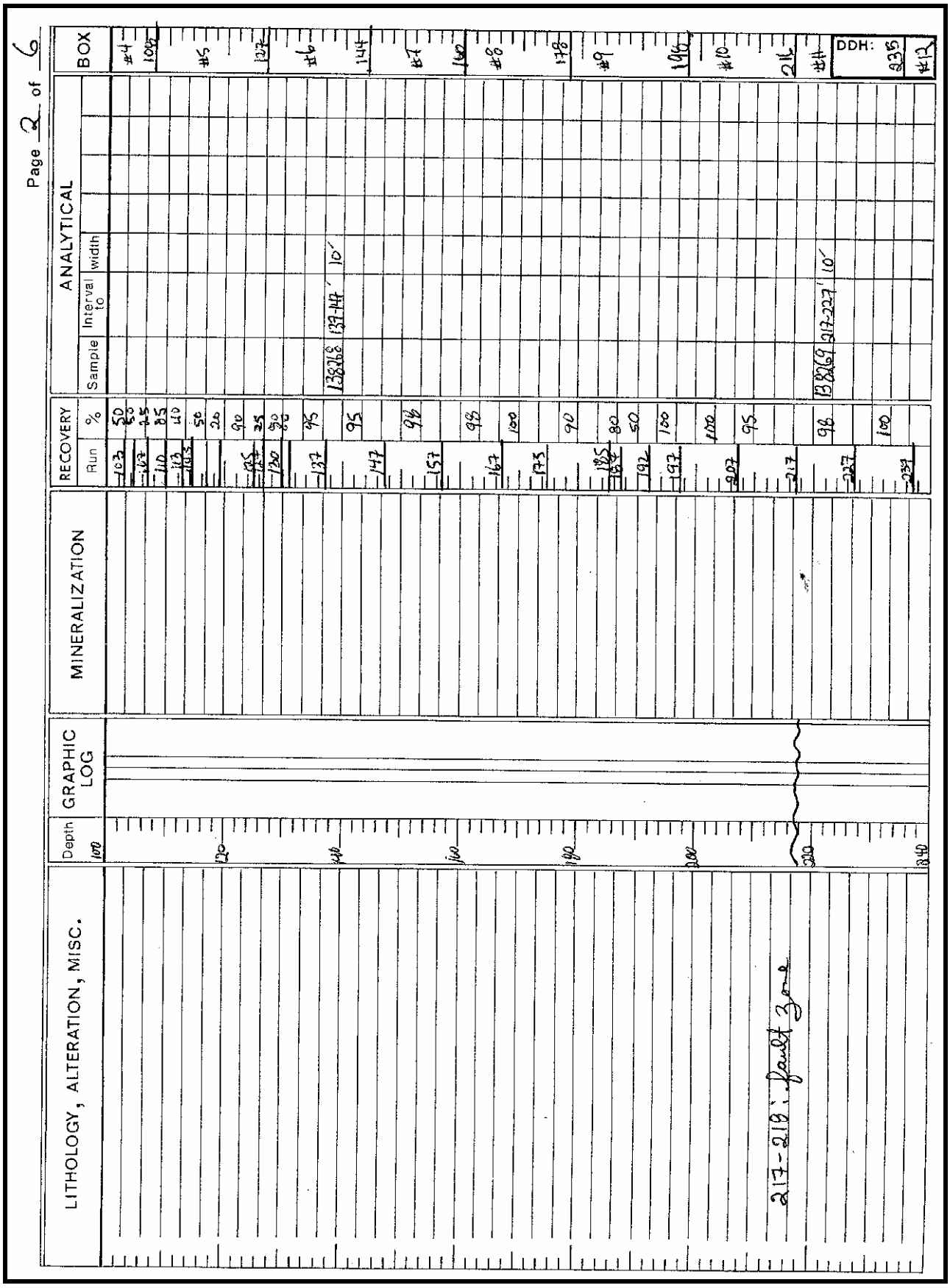

CCS-10-2
Page 2 of 5
LITHOLOGY, ALTERATION, MISC.
Diorite - Mod grained
Depth
GRAPHIC LOG
MINERALIZATION
RECOVERY
Run
%
ANALYTICAL
Sample
Interval to
width
BOX
Carbonate cpy fg leading
to and Potash section
103
100
#7
119' dio cpy 1-2%
117
100
#8
TR cpy diorite
py fgd sealed fg
123
100
138458
127-137
10'
#9
145' cpy coating fg w
py fg fg dissem py
147
100
#10
157
100
#11
167
100
179' 1cm calc vein
fgd fract
177
100
#12
187
100
#13
223' cpy coating fg
w fgd to 1mm
207
100
DDH
#14
237
100

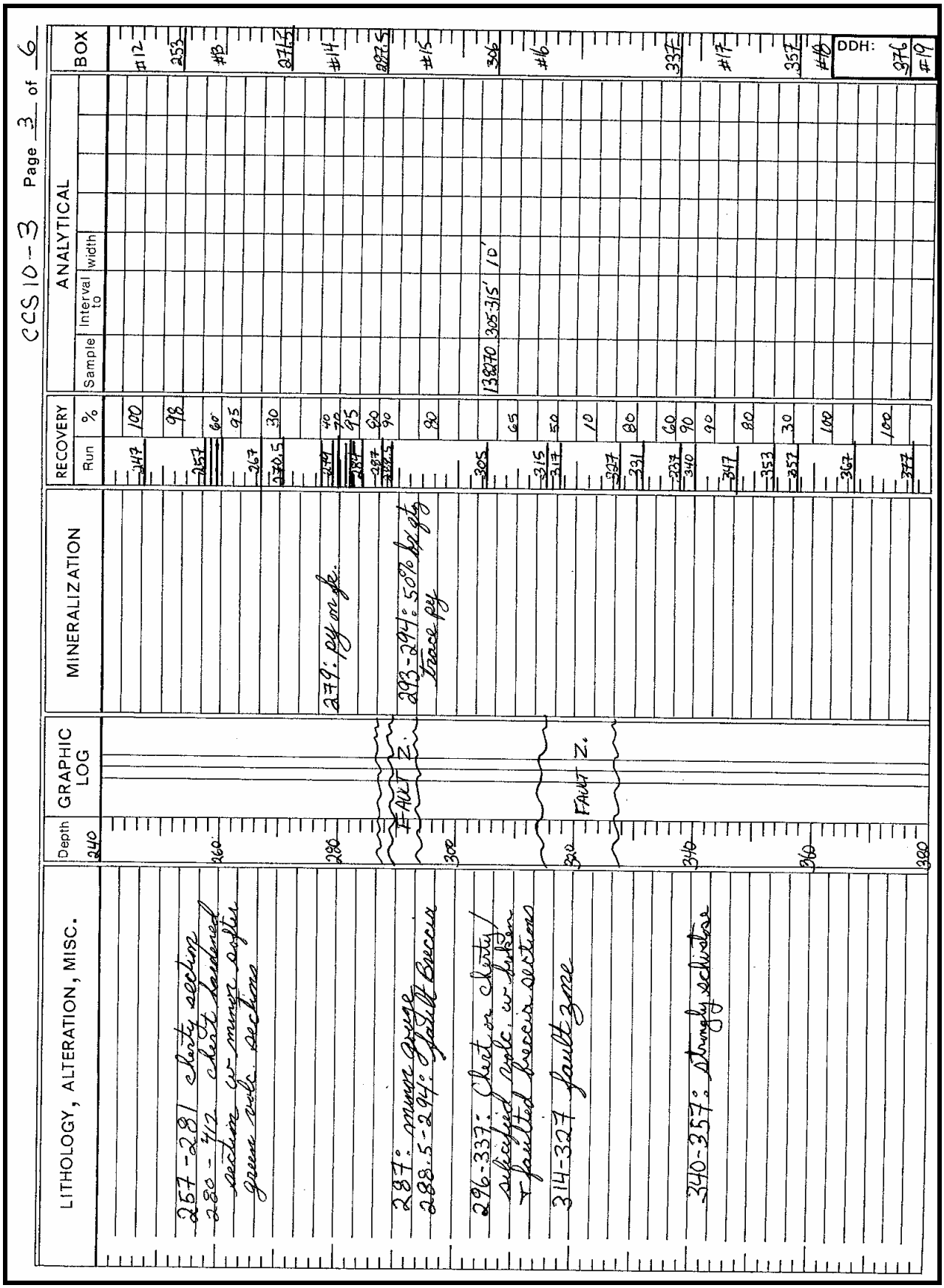

Page 3 of 5
LITHOLOGY, ALTERATION, MISC.
Depth
GRAPHIC LOG
MINERALIZATION
RECOVERY
Run
%
ANALYTICAL
Sample
Interval to
width
BOX
244': calc V with gtz + blebs py
Calc + py + chl
py + calc coating fr
286.5': py + calc coating fr + chl + py
287': py coating fr
310': py coating fr.
327': py on fr and stks < 1mm
362': py coating fr
257': 8" Coarse biotite/diorite in magnetite
med. grained diorite to 373'
#14
#15
#16
#17
#18
#19
#20
#21
DDH
#22

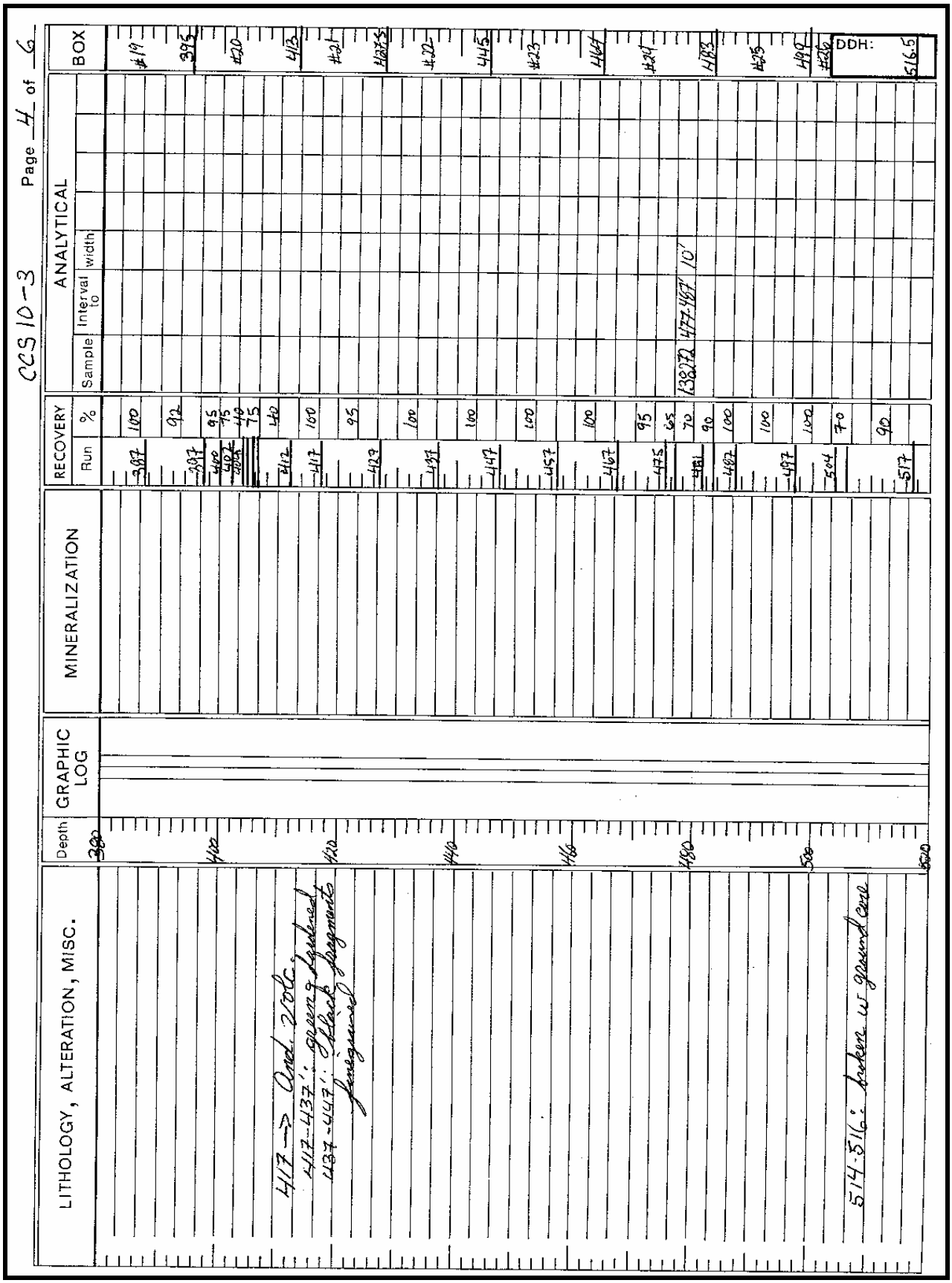

CCS10-2
Page 4 of 5
LITHOLOGY, ALTERATION, MISC.
Depth
GRAPHIC LOG
MINERALIZATION
RECOVERY
Run
%
ANALYTICAL
Sample
Interval to
width
BOX
2mm gtz + minor Carbonate
375-387: fg gabbro, cbl + py + minor magnetite @ 387
382-384'6": Contact Gabbro dyke
387-448': mainly coarse gabbro
to dyke to 1 cm
446-461: fg altered/chloritic sect. w/ py, fold + cbl + py zone
gtz + feld + carb veins to 1cm
mainly < 0.5 cm.
carb. mat. healed fx. in this zone
serpentine & epidote occurs
in altered sect. of fg. zone
477-478': 8cm Qtz + feld + carb vein
also veins total 3-4cm
475-478: fg. chloritic zone.
hornblende xtls to 2 cm
504- mainly med-fg gabbro to minor Contact
Section
384-387 py 2-3%
387': magnetite
407': tr py
414': tr py + cbl + carb + fx
419': 0.4cm qtz-feld
cbl-carb-py fx @ 45°/c
437-438': 1-2% magnetite
py + cbl + carb
479-482': magnetite
503: magnetite to 513
several magnetite bed.
38281 387-397 10'
38282 447-457 10'
13883 475-480 5'
#22
390
#23
408
#24
423
#25
446
#26
464
#27
480
478
498
DDH
#22
516.5

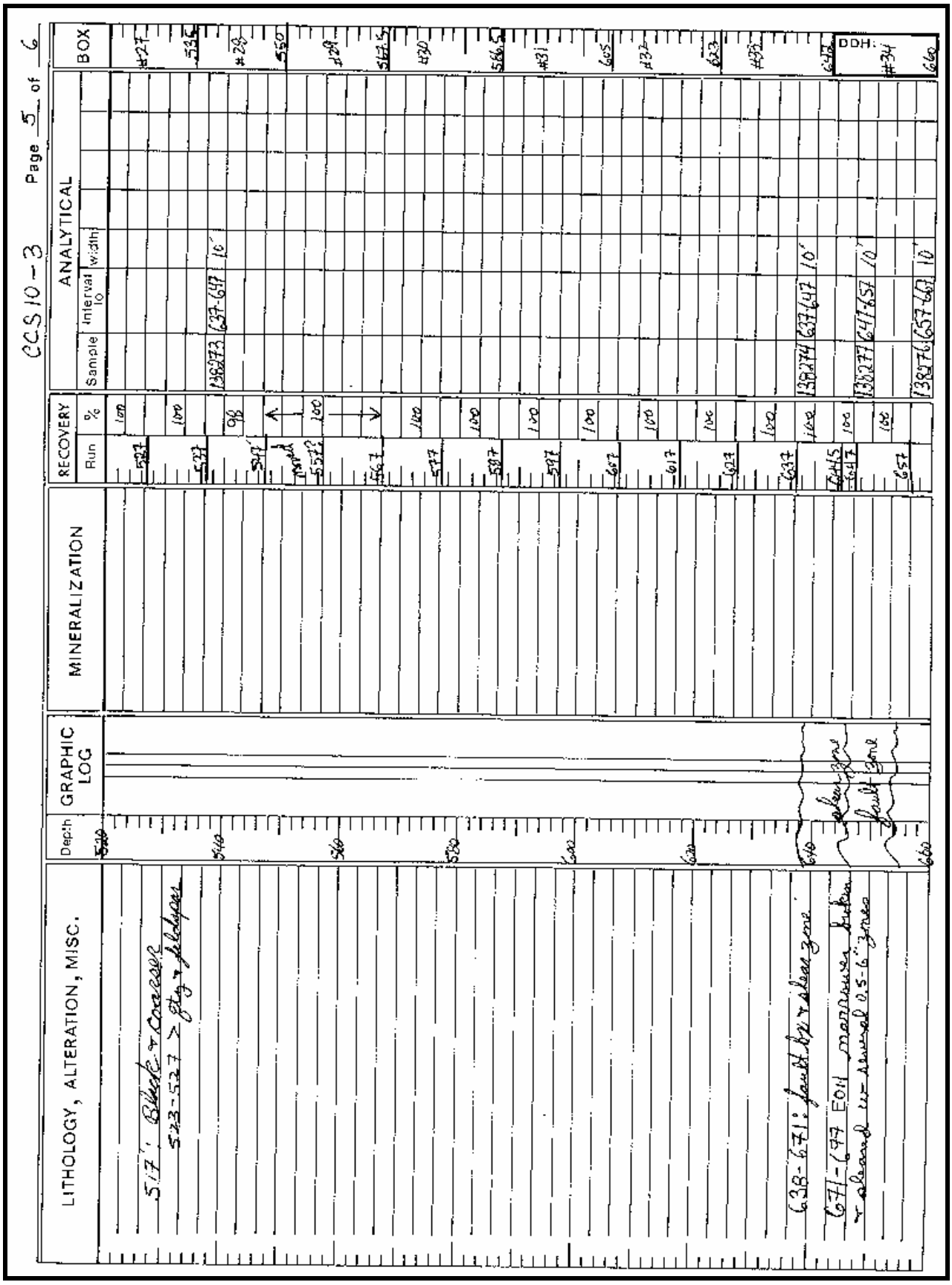

Page 5 of 5
LITHOLOGY, ALTERATION, MISC.
Depth
GRAPHIC LOG
MINERALIZATION
RECOVERY
Run
%
ANALYTICAL
Sample
Interval to
width
BOX
fine dualase or basalt
538-547; 565-577; 591-606.5
637-651: med grained gabbro
med grained gabbro
long gabbro
magnetite + 1-2% py
538: 1cm py-epidote-carbonate
py 1-2% w magnetite
EOH
#30
#31
#32
#33
#34
#35
#36
#37
#38
#39
#40
#41
#42
#43
#44
#45
#46
#47
#48
#49
#50
#51
#52
#53
#54
#55
#56
#57
#58
#59
#60
#61
#62
#63
#64
#65
#66
#67
#68
#69
#70
#71
#72
#73
#74
#75
#76
#77
#78
#79
#80
#81
#82
#83
#84
#85
#86
#87
#88
#89
#90
#91
#92
#93
#94
#95
#96
#97
#98
#99
#100
#101
#102
#103
#104
#105
#106
#107
#108
#109
#110
#111
#112
#113
#114
#115
#116
#117
#118
#119
#120
#121
#122
#123
#124
#125
#126
#127
#128
#129
#130
#131
#132
#133
#134
#135
#136
#137
#138
#139
#140
#141
#142
#143
#144
#145
#146
#147
#148
#149
#150
#151
#152
#153
#154
#155
#156
#157
#158
#159
#160
#161
#162
#163
#164
#165
#166
#167
#168
#169
#170
#171
#172
#173
#174
#175
#176
#177
#178
#179
#180
#181
#182
#183
#184
#185
#186
#187
#188
#189
#190
#191
#192
#193
#194
#195
#196
#197
#198
#199
#200
#201
#202
#203
#204
#205
#206
#207
#208
#209
#210
#211
#212
#213
#214
#215
#216
#217
#218
#219
#220
#221
#222
#223
#224
#225
#226
#227
#228
#229
#230
#231
#232
#233
#234
#235
#236
#237
#238
#239
#240
#241
#242
#243
#244
#245
#246
#247
#248
#249
#250
#251
#252
#253
#254
#255
#256
#257
#258
#259
#260
#261
#262
#263
#264
#265
#266
#267
#268
#269
#270
#271
#272
#273
#274
#275
#276
#277
#278
#279
#280
#281
#282
#283
#284
#285
#286
#287
#288
#289
#290
#291
#292
#293
#294
#295
#296
#297
#298
#299
#300
#301
#302
#303
#304
#305
#306
#307
#308
#309
#310
#311
#312
#313
#314
#315
#316
#317
#318
#319
#320
#321
#322
#323
#324
#325
#326
#327
#328
#329
#330
#331
#332
#333
#334
#335
#336
#337
#338
#339
#340
#341
#342
#343
#344
#345
#346
#347
#348
#349
#350
#351
#352
#353
#354
#355
#356
#357
#358
#359
#360
#361
#362
#363
#364
#365
#366
#367
#368
#369
#370
#371
#372
#373
#374
#375
#376
#377
#378
#379
#380
#381
#382
#383
#384
#385
#386
#387
#388
#389
#390
#391
#392
#393
#394
#395
#396
#397
#398
#399
#400
#401
#402
#403
#404
#405
#406
#407
#408
#409
#410
#411
#412
#413
#414
#415
#416
#417
#418
#419
#420
#421
#422
#423
#424
#425
#426
#427
#428
#429
#430
#431
#432
#433
#434
#435
#436
#437
#438
#439
#440
#441
#442
#443
#444
#445
#446
#447
#448
#449
#450
#451
#452
#453
#454
#455
#456
#457
#458
#459
#460
#461
#462
#463
#464
#465
#466
#467
#468
#469
#470
#471
#472
#473
#474
#475
#476
#477
#478
#479
#480
#481
#482
#483
#484
#485
#486
#487
#488
#489
#490
#491
#492
#493
#494
#495
#496
#497
#498
#499
#500
#501
#502
#503
#504
#505
#506
#507
#508
#509
#510
#511
#512
#513
#514
#515
#516
#517
#518
#519
#520
#521
#522
#523
#524
#525
#526
#527
#528
#529
#530
#531
#532
#533
#534
#535
#536
#537
#538
#539
#540
#541
#542
#543
#544
#545
#546
#547
#548
#549
#550
#551
#552
#553
#554
#555
#556
#557
#558
#559
#560
#561
#562
#563
#564
#565
#566
#567
#568
#569
#570
#571
#572
#573
#574
#575
#576
#577
#578
#579
#580
#581
#582
#583
#584
#585
#586
#587
#588
#589
#590
#591
#592
#593
#594
#595
#596
#597
#598
#599
#600
#601
#602
#603
#604
#605
#606
#607
#608
#609
#610
#611
#612
#613
#614
#615
#616
#617
#618
#619
#620
#621
#622
#623
#624
#625
#626
#627
#628
#629
#630
#631
#632
#633
#634
#635
#636
#637
#638
#639
#640
#641
#642
#643
#644
#645
#646
#647
#648
#649
#650
#651
#652
#653
#654
#655
#656
#657
#658
#659
#660
#661
#662
#663
#664
#665
#666
#667
#668
#669
#670
#671
#672
#673
#674
#675
#676
#677
#678
#679
#680
#681
#682
#683
#684
#685
#686
#687
#688
#689
#690
#691
#692
#693
#694
#695
#696
#697
#698
#699
#700
#701
#702
#703
#704
#705
#706
#707
#708
#709
#710
#711
#712
#713
#714
#715
#716
#717
#718
#719
#720
#721
#722
#723
#724
#725
#726
#727
#728
#729
#730
#731
#732
#733
#734
#735
#736
#737
#738
#739
#740
#741
#742
#743
#744
#745
#746
#747
#748
#749
#750
#751
#752
#753
#754
#755
#756
#757
#758
#759
#760
#761
#762
#763
#764
#765
#766
#767
#768
#769
#770
#771
#772
#773
#774
#775
#776
#777
#778
#779
#780
#781
#782
#783
#784
#785
#786
#787
#788
#789
#790
#791
#792
#793
#794
#795
#796
#797
#798
#799
#800
#801
#802
#803
#804
#805
#806
#807
#808
#809
#810
#811
#812
#813
#814
#815
#816
#817
#818
#819
#820
#821
#822
#823
#824
#825
#826
#827
#828
#829
#830
#831
#832
#833
#834
#835
#836
#837
#838
#839
#840
#841
#842
#843
#844
#845
#846
#847
#848
#849
#850
#851
#852
#853
#854
#855
#856
#857
#858
#859
#860
#861
#862
#863
#864
#865
#866
#867
#868
#869
#870
#871
#872
#873
#874
#875
#876
#877
#878
#879
#880
#881
#882
#883
#884
#885
#886
#887
#888
#889
#890
#891
#892
#893
#894
#895
#896
#897
#898
#899
#900
#901
#902
#903
#904
#905
#906
#907
#908
#909
#910
#911
#912
#913
#914
#915
#916
#917
#918
#919
#920
#921
#922
#923
#924
#925
#926
#927
#928
#929
#930
#931
#932
#933
#934
#935
#936
#937
#938
#939
#940
#941
#942
#943
#944
#945
#946
#947
#948
#949
#950
#951
#952
#953
#954
#955
#956
#957
#958
#959
#960
#961
#962
#963
#964
#965
#966
#967
#968
#969
#970
#971
#972
#973
#974
#975
#976
#977
#978
#979
#980
#981
#982
#983
#984
#985
#986
#987
#988
#989
#990
#991
#992
#993
#994
#995
#996
#997
#998
#999
#1000

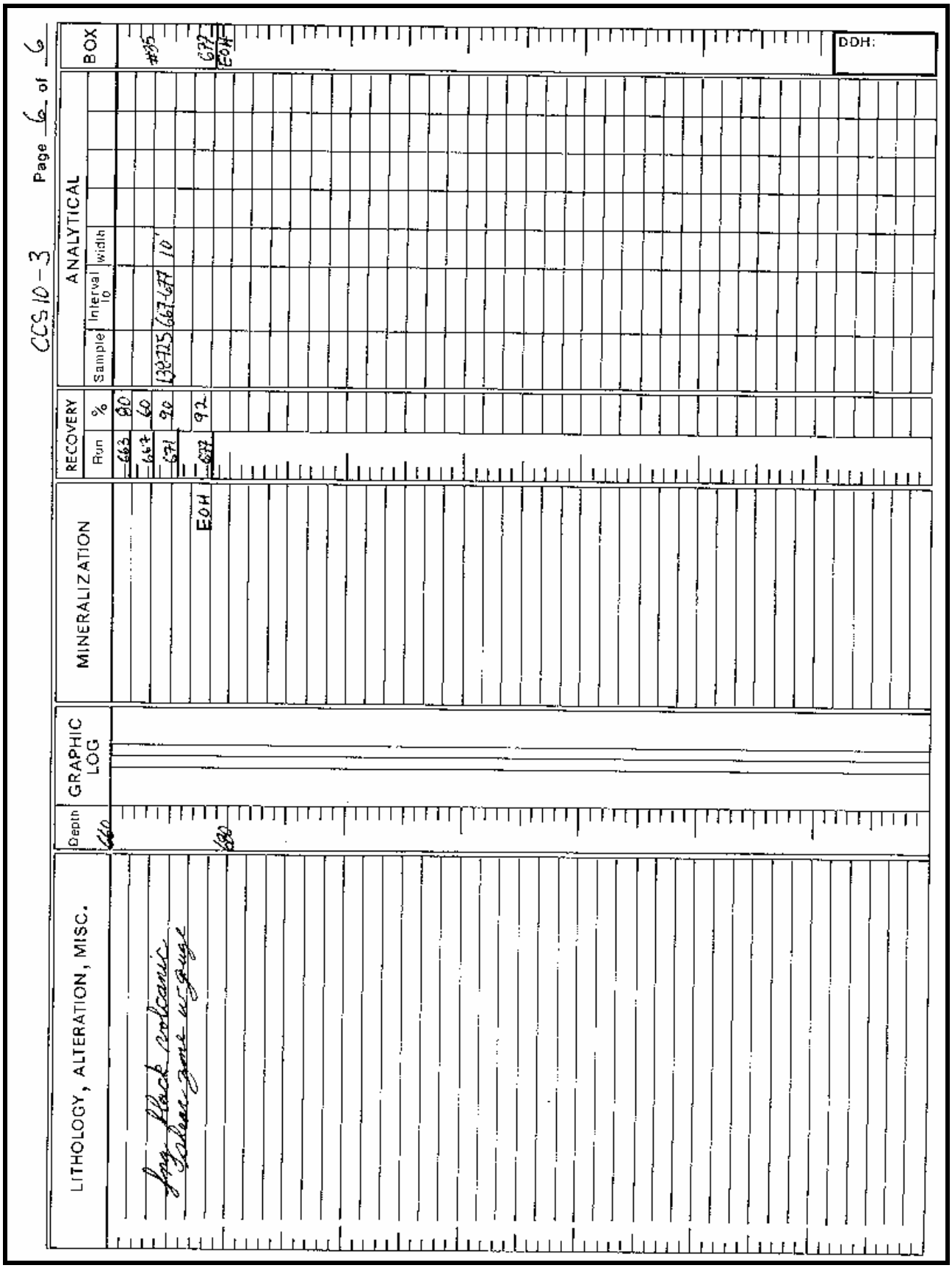

Peter Christopher & Associates Inc.
GEOLOGICAL & EXPLORATION SERVICES
Page 1 of 6
Property Chu Chua Shovel
Location EM1 GRID
Coord.- Collar N 5689854
E 0706755
Elev. - Collar 1739m
Date Started
Date Completed
Hole No. CCS 10-3
Bearing at collar 90°
Inclination at collar -55°
Length 677 (206.3m)
Core Size BQTK
Logged By PAC
LEGEND
SURVEY
Depth
Bearing
Inclination
LITHOLOGY, ALTERATION, MISC.
Depth
GRAPHIC LOG
MINERALIZATION
RECOVERY
Run
%
ANALYTICAL
Sample
Interval to
width
BOX
DDH:
#1
95
52
76
Green Chlorite, fog Calcite in Basalt
165-130' Rock Very Broken
130-114' fog gray Calcite
with 10% fg-med gray veinlets
217.5-218' fault fgr.


Page 2 of 6
LITHOLOGY, ALTERATION, MISC.
Depth
GRAPHIC LOG
MINERALIZATION
RECOVERY
Run
%
ANALYTICAL
Sample
Interval to
width
BOX
DDH:
217-218: fault zone


CCS 10 - 3 Page 3 of 6
LITHOLOGY, ALTERATION, MISC.
Depth
GRAPHIC LOG
MINERALIZATION
RECOVERY
Run
%
ANALYTICAL
Sample
Interval to
width
BOX
DDH:
257-281 clasty section
280-312 clast rendered
section by minor ankle
grain rate section
287: py in gtz.
288.5-294: Gtz Stockwork Breccia
296-337: Chert in clasty/
silicified rock, in brec
+ faulted fracture system
314-327 fault zone
340-357: strongly schistose
FAULT Z.
FAULT Z.
#12
#13
#14
#15
#16
#17
#18
#19


CCS 10-3
Page 4 of 6
LITHOLOGY, ALTERATION, MISC.
Depth
GRAPHIC LOG
MINERALIZATION
RECOVERY
Run
%
ANALYTICAL
Sample
Interval to
width
BOX
DDH:
417 -> Ord. Volc.
417-437': Gneiss, foliated
437-447': Black, foliated fragments
514-516': broken w ground core


CCS 10 - 3
Page 5 of 6
LITHOLOGY, ALTERATION, MISC.
Depth
GRAPHIC LOG
MINERALIZATION
RECOVERY
Run
%
ANALYTICAL
Sample
Interval
width
BOX
DDH:
517' Bleached + Carbonate
523-527 > qtz + feldspar
638-671' fault hz + alteration zone
671-697 EOH manganese fracture
+ abundant vn Annual 0.5-6" zones


CCS 10-3
Page 6 of 6
DDH:
BOX
#35
672
EOH
ANALYTICAL
Sample
Interval To
Width
13715
667-677
10'
RECOVERY
Run
%
662
80
667
60
671
90
672
92
MINERALIZATION
EOH
GRAPHIC LOG
Depth
660
680
LITHOLOGY, ALTERATION, MISC.
Grey black volcanic
Foliation zone at 45 deg

APPENDIX D ASSESSMENT REPORT TITLE PAGE & SUMMARY

BRITISH COLUMBIA
The Best Place on Earth

Ministry of Forests, Mines and Lands
BC Geological Survey

Assessment Report
Title Page and Summary

TYPE OF REPORT [type of survey(s)]: Geophysical, Geochemical, Diamond Drilling **TOTAL COST:** $91,720.78

AUTHOR(S): Dr. Peter A. Christopher P.Eng. **SIGNATURE(S):** Peter A. Christopher

NOTICE OF WORK PERMIT NUMBER(S)/DATE(S): MX-4-570 **YEAR OF WORK:** 2010

STATEMENT OF WORK - CASH PAYMENTS EVENT NUMBER(S)/DATE(S):

PROPERTY NAME: Chu Chua Shenul

CLAIM NAME(S) (on which the work was done): Southpark (#508587); Insure (#508589)

COMMODITIES SOUGHT: copper and gold

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN: N/A Chu Chua Deposit on third party holdings

MINING DIVISION: Kamloops **NTS/BCGS:** 92P & 82M

LATITUDE: 51 ° 18 ' 25 " **LONGITUDE:** 120 ° 02 ' 00 " **(at centre of work)**

OWNER(S):

1) Kenneth Ellerbeck
2) Gerold Locke

MAILING ADDRESS:

255 West Battle Street
Kamloops, B.C. V2C 1G8

775 Sequoia Place
Kamloops, B.C. V2C 5W3

OPERATOR(S) [who paid for the work]:

1) Shenul Capital Inc.
2)

MAILING ADDRESS:

3707 West 34th Avenue
Vancouver, B.C. V6N 2K9

PROPERTY GEOLOGY KEYWORDS (lithology, age, stratigraphy, structure, alteration, mineralization, size and attitude):

The Chu Chua Shenul property is underlain by oceanic, mafic volcanic and sedimentary rocks of the Fennell Formation of the Slide Mountain Assemblage. The Fennell Fm hosts the Chu Chua massive sulphide deposit with cuperiferous magnetite and pyrite paralleling the N-S stratigraphic trend of the Fennell Fm. Exploration targets are airborne mag and EM anomalies.

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS: 19540A, 26752, 22039, 20670, Christopher (2010 Assessment report)

Next Page

TYPE OF WORK IN THIS REPORT	EXTENT OF WORK (IN METRIC UNITS)	ON WHICH CLAIMS	PROJECT COSTS APPORTIONED (incl. support)
GEOLOGICAL (scale, area)			
Ground, mapping			
Photo interpretation			
GEOPHYSICAL (line-kilometres)			
Ground			
Magnetic	18 line kilometers	Southpark (#508587)	20,441.78
Electromagnetic			
Induced Polarization			
Radiometric			
Seismic			
Other			
Airborne			
GEOCHEMICAL (number of samples analysed for...)			
Soil	21 samples	Insure (#508589)	418
Silt			
Rock	31 (27 split core samples)	Southpark (#508587)	861
Other			
DRILLING (total metres; number of holes, size)			
Core	521.5m in 3 holes BQTK	Southpark (#508587)	65,000
Non-core			
RELATED TECHNICAL			
Sampling/assaying	Loggin and sampling, core storage	Southpark (#508587)	
Petrographic			
Mineralographic			
Metallurgic			
PROSPECTING (scale, area)			
PREPARATORY / PHYSICAL			
Line/grid (kilometres)	550m baseline	Insure (#508589)	5,000
Topographic/Photogrammetric (scale, area)			
Legal surveys (scale, area)			
Road, local access (kilometres)/trail			
Trench (metres)			
Underground dev. (metres)			
Other			
		TOTAL COST:	$91,720.78